

1991

William Donald Peterson II v. Robert G.  
Mouritsen, John P. Sampson, and John McSweeney  
1st Action-Defendant, and v. MAC Industries, Utah  
Corp #118115 2nd Action-Defendant, William  
Donald Peterson II, president and principal stock  
owner and founder and John J. McSweeney, rival  
president alleging minority stock ownership : Brief  
of Appellant

Utah Supreme Court

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William D. Peterson, II; Plaintiff/Appellant, Pro Se.

John P. Sampson; C. DeMont Judd, Jr.; Attorneys at Law

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IN THE SUPREME COURT IN AND FOR THE STATE OF UTAH  
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WILLIAM DONALD PETERSON II )

Plaintiff )

-vs- )

Supreme Court No. 910079 )

Robert G. Mouritsen, John P. )  
Sampson, and John McSweeney )  
1st Action - Defendants )

-and vs- )

MAC Industries, Utah Corp #118115 )  
2nd Action - Defendant )

William Donald Peterson II )  
president & principal stock owner )  
and founder )

& )

John J. McSweeney, rival president )  
alleging minority stock ownership )

91-0333-01

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BRIEF OF APPELLANT  
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On Appeal from the Third Judicial District  
Court of Salt Lake County, State of Utah  
The Honorable Pat B. Brian, Judge  
Civil No. 900905733PR  
-----

William D. Peterson II  
9174 Quail Hollow Drive  
Sandy, Utah 84093  
Plaintiff/Appellant, pro se  
Phone 942-5805

was 1444 Murphy Lane  
SLC, Ut 84106  
485-9011

Defendant's and attorney's address  
-----

John P. Sampson & C. DeMont Judd, Jr.  
Attorneys at Law  
2650 Washington Blvd., Suite 102  
Ogden, Utah 84401

FILED

Ref Supreme Court No. 900498,  
from Civil No. 900901098 Judge Young

JUN 4 1991

WILLIAM DONALD PETERSON II )  
 )  
 Plaintiff )  
 -vs- ) Supreme Court No. 910079  
 )  
 Robert G. Mouritsen, John P. )  
 Sampson, and John McSweeney )  
 1st Action - Defendants )  
 )  
 -and vs- )  
 MAC Industries, Utah Corp #118115 )  
 2nd Action - Defendant )  
 William Donald Peterson II )  
 president & principal stock owner )  
 and founder )  
 & )  
 John J. McSweeney, rival president )  
 alleging minority stock ownership )

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2650 Washington Blvd., Suite 102  
Ogden, Utah 84401

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## 1.0 PARTIES TO THE APPEAL

1.1 Plaintiff: William D. Peterson II, pro se - Sandy Utah

### 1.2 Defendants:

- a) Robert G. Mouritsen - Kaysville, Utah
- b) John McSweeney - Holladay, Utah
- c) Attorney John P. Sampson - plaintiff Peterson's "Assigned Attorney", C. DeMont Judd, Jr. Attorney - Defendants

Attorney

d) Utah Corporation No. 118115, founded by the plaintiff as Riverside Machine and Fabrication Co. Renamed by defendants Mouritsen and McSweeney as MAC INDUSTRIES. Mr. Peterson purports ownership as original founder, president and that he has never offered or given rights or ownership to Mouritsen and McSweeney. Mr. Mouritsen and McSweeney apparently purport rights by making themselves officers in Peterson's Corporation then issuing themselves stock.

1.3 Other - "Assigned Attorney" defendant attorney John P. Sampson was a total stranger to plaintiff Peterson when religion counselor defendant Robert Mouritsen, with plaintiff's then wife Linda, asserted that attorney Sampson was to be Peterson's counsel in all existing and future legal matters. It is now believed that defendant Sampson was then in conflictive interest in his representation of Peterson since attorney Sampson was then and continued to be under order from and representative of Peterson's opponent, defendant Mouritsen.

In Utah's Division of Corporations, the defendants have filed themselves as officers of Utah Corp. #118115. Attorney Van Alstyne for the State of Utah told Peterson that anyone at anytime can come to his division and file themselves as officers and directors of any corporation on file in the state of Utah. With affidavit, Peterson refiled his officers. Representing Peterson, attorney Sampson fraudulently wrote and told Director Van Alstyne that Peterson intended otherwise and with his intercession, Director Van Alstyne removed Mr. Peterson's filings.

State Attorney Van Alstyne had no basis for removing Peterson's filed documents. Mr. Van Alstyne's operation of Utah's Corporations and Commercial Code Division allowed the invasion of others into and over Peterson's business. Attorney Peter Van Alstyne intervened and canceled defendant's proper and lawful filings of his business posturing Peterson's company for a fraudulent takeover, allowable and possible because of unlawful actions and bad operation code of the (The State of Utah) regulation division. Peterson has brought suit against the State of Utah for this damaging action, ref 900498.

On January 3, 1991, the Screening Panel of the Ethics and Discipline Committee of the Utah State Bar voted to admonish Mr. Sampson for his conflictive representations of Peterson. Mr. Peterson seeks damages and disbarment of attorney Sampson.



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#### TABLE OF AUTHORITIES

3.0 TABLE OF AUTHORITIES - cases alphabetically, rules, statutes, and other with references to the pages of the brief where they are cited:

##### 3.1 Constitutional Authorities

3.1.1 ARTICLE IV of the U.S. Constitution - shall have the right to be secure in his persons, paper, and effects, against unreasonable searches and seizures.

3.1.2 ARTICLE V of the U.S. Constitution - shall not be deprived of his property and rents of his properties without due process of law.

3.1.3 Article VII of the U.S. Constitution - rights for trial and judgment by jury which are preserved.

3.2 Federal Law Authority - Fed.R.Civil P 8(c). DURESS is a defense to a civil action.

##### 3.3 State Law Authorities

3.3.1 Article XII, Section 4. of the Constitution of the State of Utah rights to sue EVEN "his" corporation #118115 to clarify ownership pg 12

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3.3.3 Section 78-51-33 proof of right to represent Corp #118115

- 3.3.4 FRAUD, citing Pace vs. Parish Utah 247 p.2d 273, 1952, Supreme Court of Utah. pgs 15,16 pg 11
- 3.3.5 CIVIL CONSPIRACY, citing Isreal Pagan Estate vs. Capitol Thrift and Loan, Utah 771 p.2d 1032, 1989, Supreme Court of Utah.
- 3.3.6 TORTIOUS INTERFERENCE WITH CONTRACTUAL RELATIONS, citing Leigh vs Isom, Utah, 657 P.2d 293, 1982, Supreme Court of Utah.
- 3.4 Corporate Meetings and Records
- 3.4.1 A meeting cannot be legally called by a subordinate officer or agent; Jackson v. Dillehay, 209 Ark, 192 SW2s 354. pgs 11,13
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- 3.5 Duress
- 3.5.1 Duress - threat, coercion, or improper pressure to induce: Head v. Gadsden Civil Service Bd., Ala.Civ.App., 389 So.2d 516,519 pgs. 11,13,23,24
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- 3.5.4 Duress - Economic Duress or So-Called "Business Compulsion"; Sistrom v. Anderson, 51 Cal App 2d 213,124 P2d 372; Steffen v. Refrigeration Discount Corp. 91 Cal App 2d 494, 205 P2d 727; Balling v. Finch, 203 Cal App 2d 413, 21 Cal Rptr 490; Furnish V. Commissioner of Internal Revenue, 262 F2d 727 (CCA 9); Gill v. s. H. B. Corp. 322 Mich 700, 34 NW2d 526, 7 ALR2d 252; Woodside Homes, Inc. v. Town of Morristown, 26 NJ 529 141 A2d 8; Fischer v. Richard Gill Y Co. (Tex Civ App) 253 SW2d 915. pgs 12
- 3.5.5 Duress - threatened injury to business or to means of earning a livelihood; (right of rescission) United States v. Ellsworth, 101 US 170, 25 L Ed 862; cf United States v. Edmonston, 181 US 500, 45-I, Ed 971, 21 S Ct 718; Snyder v. Rosenbaum, 215 US 261, 54 L Ed 186, 30 S Ct 73. pgs 8,9,12,13

- 3.5.6 Economic Duress; (wrongful or unlawful act or threat) Fruhauf Southwest Garment Co. v. United States, 111 F Supp 945,126 Ct Cl 51. Thompson Crane & Trucking Co. v. Eyman, 123 Cal App 2d 904, 267 P2d 1043; Fowler V. Mumford, 48 Del 282, 102 A2d 535; Inland Empire Refineries, Inc. v. Jones, 69 Idaho 335, 2065 P2d 519;... pgs 12,13
- 3.5.7 Duress - Forcibly Guiding; Fairbanks v. Snow. 145 Mass 153, 13 NE 596; McCoy v James T. McMahon Const. Co. (Mo) 216 SW 770; Taylor v. Russell, 258 AD 305, 16 NYS2d 388 citing text; Sheppard v. Frank, 307 Pa 372 161 A 304. Rest. Contracts # 494 (b) Illus 2. pgs 13,14,19
- 3.5.8 Duress - Not Knowing - (the transaction is void); Atwood v. Atwood, 84 Conn 169, 79 A 59; Blinder v. Monaghan, 171 Md 77, 188 A 31; Bushnell v. Loomis, 234 Mo 371, 137 SW 257, 36 LRA NS 1029; Cf Atkinson Paving Co. v. Edwards, 192 Ark 961, 96 SW2d 954; Rosenberg v. Doe, 148 Mass 560, 20 NE 176; Rest Contracts # 494 (a) and Illus 1. Supra # 1488. pgs 8,9,11,12,19,26,27
- 3.5.9 Duress - as when Fraud is Exercised; Royal v. Goss, 154 Ala 117, 121, 45 S 231; Fairbanks v. Snow, 145 Mass 153, 13 Ne 596; Randolph v. Lewis, 196 NC 51, 144 SE 545, 62 ALR 1474, quoting text; Cal Civ Code #1566; "Consent which is not free is, nevertheless, not absolutely void, but may be rescinded." pgs 8,11,13,14,24
- 3.5.10 Duress - To Threaten to Injure Third Person; Tallmadge v Robinson, 158 Oh St 333, 49 Oh Ops 206, 109 NE2d 496; Foley v Greene, 14 RI 618; Meylink v Minnehaha Co-op, Oil Co. 66 SD 351, 283 NO 161; Gorringe v Reed, 23 Utah 120, 63 P 902; City National Bank v Kusworm, 88 Wis 188, 59 NW 564. pgs 11,14,15,25
- 3.6 Unjust Enrichment - One person should not be permitted unjustly to enrich himself at expense of another, but should be required to make restitution of or for property of benefits received; Tulalip Shores, Inc. v. Mortland, 9 Wash. App. 271, 511 P.2d 1402,1404. Unjust enrichment of a person occurs when he has and retains money or benefits which in justice and equity belong to another. L & A Drywall, Inc. v. Whitmore Const. Co., Inc., Utah, 608 P.2d 626,630. Three elements to sustain unjust enrichment: A benefit conferred, a knowledge by the recipient of the benefit, retention by the recipient of the benefit under such circumstances as to make it inequitable for the recipient to retain the benefit without the payment of its value. Everhart v. Miles, 47 Md.App. 131,136,422, A.2d 28. pgs 9,26

#### 4.0 JURISDICTION OF THE SUPREME COURT

Jurisdiction to hear this appeal is conferred on this court by Utah Code Annotated, 1953, Sec 78-2-2, subsections (1) and (3)(c) discipline of lawyers, and (3)(i) decrees of court.

The appellant has filed a related docketing Pursuant to the provisions of Rule 9 of the Utah Rules of Appellate Procedure.

#### 5.0 ISSUES PRESENTED FOR REVIEW

5.1 The plaintiff's rights are at issue in the businesses he founded and built, vs. Robert Mouritsen and defendants rights in the same entities. Plaintiff Peterson maintains that the defendants have intruded into Peterson's affairs, using the advantages of his position as religious counsel to Petersons, and have fraudulently taken, converted, caused duress and stresses, defamed the plaintiff, and caused great damage and losses.

Entities having rights at issue include:

5.1.1 Wm Peterson personally, - Mouritsen & Sampson as his counsel

5.1.2 Wm Peterson family trust, - Mouritsen & Sampson as counsel

5.1.3 Utah Corp No. 118115, - Mouritsen & Sampson as counsel

5.1.4 PEMCO Inc. - Mouritsen & Sampson as counsel

5.1.5 Best American Cellulose Inc. - Mouritsen & Sampson as  
counsel

#### 5.2 STANDARD OF APPELLANT REVIEW

5.2.1 Purported basis of transaction - The plaintiff owned and operated a manufacturing company employing up to 65 persons, approximately one dozen persons at this time, having inventories,

work in process, and receivables worth at least \$0.1 million. In advising the owner to help his business and family, family religious instructor apparently had conflictive "Assigned Attorney" Sampson prepare (bogus) company meeting minutes wherein Petersons would transfer \$.75 million in manufacturing real-estate and \$.75 million in manufacturing tools to a family trust. These assets were then to be transferred to Peterson's business. In a purposed directors meeting the business with the assets were to be then (fraudulently) declared of zero value and then to be divided equally among three owners, two of which were the defendants Mouritsen and McSweeney. This was to culminate at a combined owner and directors' meeting unlawfully called by the defendants and excluding the owner Peterson. Peterson refused. (See ADDENDUM 20.1)

Since then, after much Peterson questioning of the defendants, Peterson has still been kept in duress "not knowing" about the defendant's apparent proposal instruments, and in duress threatening his means of earning a livelihood. In reality, the defendants have never made an offer to involve them in Peterson's business. If any relationship agreement had ever been reached, Peterson would required it rescinded with the combined duress and fraud being brought against him; see Royal v. Goss, 154 Ala 117, 121, 45 S 231. (See SECTION 28.0)

Peterson had another roughly \$3 million of cellulose plants in inventories of Best American Corp. and \$.25 million in a receivable to PEMCO Corp. which the defendants have apparently sold in

conversion but they have never purported any way for rights in these corporations. In all a total net value to Petersons of \$6.2 million is represented and is being stolen by an invasion of the defendants.

#### 5.2.2 Supporting Authority References

The owner Peterson maintained that the proposed transaction was fraudulent, illegal, and a "not knowing" form of duress upon him invalidated any agreement which might have arisen. By law, corporate minutes are not written instruments, merely written record; Colorado Management Corp v. American Founders Life Ins. Co. of Denver 145 Co 413, 359 P2d 665. (See SECTION 3.4.2) In this case, the written minutes were bogus since they were made before the fact. In fact, for a meeting which was never held.

The defendants have since maintained that they have a verbal agreement with plaintiff Peterson, which assertion is a fraudulent, and an impossible fabrication. Peterson balked, the meeting was never held. Still the defendant maintain that a verbal transaction occurred and that they have ownership in Peterson's assets.

Peterson knows of no verbal agreement, or a written one. On the contrary, with questioning, Peterson continually got the run around from the defendants and was repeatedly told only of how wonderful Robert Mouritsen was, that he loved Peterson and that he would certainly never do Peterson harm. Contrary to this, for the last five years Robert Mouritsen - the Peterson family religion instructor - has kept himself on the good side of Peterson's then wife Linda, yet has caused and maintained duress and contention in

Peterson's family and home, solely to steal the family assets.

For the defendants to obtain ownership and rights which they have purported to have done, it would require corporate meetings from which there should be a written record, i.e. minutes. To have such a meeting for Riverside Machine and Fabrication, Pemcc, and Best American Cellulose, Peterson should know of them and should have had involvement, and been present. Since Peterson is the sole owner and president of each corporation, his voting consent would have been required in each instance. For the defendants to maintaining that there is a verbal agreement between them and Peterson is a fraudulent fabrication, and the defendants have perjured themselves in the court.

5.2.2 Relationship Needs and Wants: Admittedly, Peterson an engineer, needed accounting, management, and legal help for his companies. Mouritsen wanted management work. With their mutual involvement in church studies, Peterson's then wife Linda wanted Mouritsen's involvement in Peterson's business. Transfers of properties as purported by Mouritsen's bogus business minutes were not wanted by plaintiff Peterson.

5.2.2 No Contractual Relationship: While Peterson was looking for a business proposal from Mouritsen, Mouritsen instead was writing bogus corporate meeting instruments for manipulations of Peterson's properties, assets, and corporate officers to give himself directorship and control. It was later learned that Mouritsen was using attorney Sampson in a conflicting position for these writings. Peterson did not know Mouritsen's doings, his



intentions, and the source of these bogus documents. Peterson greatly objecting to their writings and their advanced preparations of business meetings. This confrontation of taking his business put Peterson under substantial duress of (not knowing). When Peterson objected to Mouritsen assertions, later, attorney Sampson would call Peterson at home making retaliatory demands and perpetuating pressure. Sampson exerted threats and duress directly upon Peterson, but he also never explained what they were doing.

5.2.3 To this day, Peterson has had no proposal for a relationship from either Mouritsen, Sampson or McSweeney as to what they indent to have as relationship with Peterson. Until their answer to interrogatories a year ago, Peterson did not know Sampson had written the proposed minutes which Peterson soundly objected to. There is no written or verbal agreement between Peterson and the defendants. In the writings of the defendants to the Utah Bar, the defendants purported that a verbal agreement exists. Peterson does not agree, but if there was such an agreement, what would it be?????. The only position that the defendants have maintained is the illegal fraudulent proposition that, by their bogus minutes they declared the value of Peterson's assets to be zero so that they could be taken for nothing. But then there is no agreement with the defendants where even this could be done. Peterson knows of no other relationship being purported.

Peterson's "Not Knowing" and "Not Being Told" constitutes a position of duress upon him virtually making any transaction void, Ref Atwood v. Atwood, Blinder v. Monaghan, and Bushnell v. Loomis,

Cf Atkinson Paving Co. v. Edwards, Rosenberg v. Doe, Rest Contracts  
# 494 (a) and Illus 1. Supra # 1488. (See SECTION 27.0)

As the Peterson's respected religious counselor, Mouritsen and his colleges have intruded into Peterson's family causing its destruction in order to take from Peterson his life long business developments and assets. Combining Peterson's "business duress" - operating his business and living without an income due to not being paid for Argee/State work, with Mouritsen's "Not Knowing Duress" - his intentions with Peterson's business - combined with "third Party Duress" against Peterson's family, has ruined Peterson's marriage, home, and family.

For many reasons given, a relationship as purported by the mysterious bogus minutes is illegal.

5.2.3 STANDARD OF APPELLANT REVIEW By order to show cause, Peterson has demanded that the defendants show their rights in the entities of Peterson above. In response to plaintiff's order to show cause, the defendants showed no contractual relationship between them and Peterson. Contrary to this, the defendants attorney declared to the court that the plaintiff was suing himself. No legal relationship appears to exist whereby the defendants have obtained any rights or assets from the Petersons' or their businesses. In view of this and other supporting information included, the plaintiff asks that the Supreme Court to acknowledge that the defendants have no rights to the entities of Petersons; and furthermore, that the court order that the defendants leave Petersons businesses and properties, and that the

defendants pay to Peterson's their losses - the costs of occupancy, costs of usage, costs of conversions, and costs of damages to the Petersons' businesses and their family.

#### 5.2.4 SUPPORTING AUTHORITY

Contracts require - agreement, meeting of minds, must be legal, mutual considerations, cannot have fraud or duress.

### 6.0 PERTINENT LAW & STATUTE PROVISIONS

6.1 Defendants threatened corporate officers with duress by writing bogus corporate minutes.

As his advisors, Sampson as his attorney, it may be reasonable for the defendants to suggest an agenda for a corporate meeting, even suggesting alternative solutions to problems. But for the defendants, with attorney Sampson, to prepare advanced minutes for a meeting in which they have no business or authority, and for the defendants to even suggest that the directors and plaintiff owner sign such a document is absolutely undue duress and influence on the directors and owner by his advisors and or his attorney.

Fairbanks v. Snow. 145 Mass 153, 13 NE 596. (See Addendum Section 26.0 Duress - Forcibly Guiding)

#### 6.2 The Calling of a Corporate Meeting is Limited

Mouritsen and his advisors including Sampson cannot call, hold, or participate in a Peterson-owned business corporate meeting without being given rights to do so. Jackson v. Dillehay, 209 Ark, 192 SW2s 354. (See Section 23.1 Calling of a Corporate Meeting). Peterson has never invited or called any of the defendants to

participate in a corporate meeting of any of his businesses.

### 6.3 Corporate meeting minutes are not written instruments.

The usage of minutes of a corporate meeting as instruments to transfer ownership is a misuse. Colorado Management Corp v. American Founders Life Ins. Co. of Denver 145 Co 413, 359 P2d 665. (See Section 23.2 Minutes are not written Instruments)

### 6.4 Bogus Corporate Minutes

The defendants' making of advance written corporate minutes written by one not having authority to do so for a corporate meeting is the creation of an bogus, illegal, and fraudulent, and unlawful document, and its delivery to Peterson for his inducement to act to make and enforce an agreement is duress. Head v. Gadsden Civil Service Bd., Ala.Civ.App., 389 So.2d 516,519 - (See Section 24.1 Unlawful Coercion). Haumont v. Security State Bank, 220 Neb. 809 374 N.W.2d 2,6 - (See Section 24.2 Pressure or constraint as compels). Hyde v. Lewis, 25 Ill.App.3d 495, 323 N.E2d 533,537, - (See Section 24.3 Inducement by a wrongful act). Royal v. Goss, 154 Ala 117, 121, 45 S 231, -(See Section 28.0 Duress when fraud is exercised)

### 6.5 Duress conveyed via Third Persons

The defendants' making of advanced fraudulent business meeting minutes and then delivering them to other officers and directors other than Peterson is inducement by the defendants as in 6.1 to 6.4 above, and constitutes threat and duress against Peterson. This third party pressure against the other officers and directors was done with the intent of the defendants to thereby procure a

benefit from Peterson. The defendants did have an effect to procure advantage from Peterson especially in the conveyance of the bogus minutes to Peterson's then wife Linda. This third party pressure translates to "third party duress" on Peterson. Tallmadge v Robinson, 158 Oh St 333, 49 Oh Ops 206, 109 NE2d 496 - (See Section 29.2 Duress conveyed via Third Persons)

## 7.0 STATEMENT OF THE CASE

### 7.1 Representation of Owner and Companies

In a relationship between parties the same attorney cannot be representing both parties.

In the immediate matter the "Assigned Attorney" John Sampson has represented both Mouritsen and Peterson and additionally has also represented Peterson's company Riverside Machine and Fabrication Inc. Also, records show that attorney Sampson has represented PEMCO (Product Engineering and Manufacturing Inc), and (Best American Cellulose Inc), all three corporations formed, founded, and owned solely by the plaintiff William D. Peterson. Peterson did not know and understand that attorney Sampson was at the same time conflictively representing both sides, 78-51-31 & 33.

Sampson was thrust by the defendants between Peterson and his attorney Richard Davis in the PEMCO vs. ARGEE matter; where in, the defendants had absolutely no rights. The defendants with attorney Sampson purported rights that they did not have. Attorney Sampson robbed from Peterson and PEMCO of their receivable and their Constitutional rights of a trial in court. In his conflictive

representation and purporting of rights he did not have, court records show that attorney Sampson deceived Judge Jenkins.

In this matter, when Peterson objected - Peterson's wife was also always threatening - the defendants promised that they would show Peterson that they did have rights to intervene, but never did. Sampson is guilty of deceit in a court, before a judge, and party, and per 78-51-31 should be disbarred, and should forfeit to Peterson treble damages.

In the Best American Colorado lease court action, attorney Sampson failed to answer and Peterson received judgment against him in both Denver and Salt Lake. Then Sampson settled it with Peterson's assets, assigned the judgment to the control of the defendants, then they threatened and blackmailed Peterson with the held judgment.

## 7.2 Dealing of the matter was not done with the owner Peterson

7.2.1 Mouritsen's dealings with Riverside Machine and Fabrication in regards to his obtaining an interest in Peterson's company was flawed, in that Mouritsen did not directly deal with Peterson. But Mouritsen apparently was dealing with Linda Peterson, Peterson's children, but Mouritsen's dealings with Mr. Peterson was through his directives to attorney John Sampson who, at the time, was also Peterson's "Assigned Attorney". Attorney Sampson and Robert Mouritsen were apparently joint authors of documents of supposed agreements between entities of Peterson, including himself personally, his family trust, and his business Riverside Machine and Fabrication. These bogus fabrications by

them were totally out of order and representative of their conflictive relationship.

7.2.2 If Robert G. Mouritsen wanted an interest in the ownership of Peterson business he should have made a proposal for obtaining an interest, which he never did. His tampering with corporation papers was totally off-grounds; or else, such advice could only be made by a dedicated consultant who could not be party to any such papers without being in conflict of interest.

### 7.3 Basis of Mouritsen's dealings was fraudulent

7.3.1 The basis of Mouritsen manipulations was to apply a valuation of Peterson company that it was, in total, worth nothing. This valuation given was not true, this valuation was a fraud. The basis of Mouritsen's manipulations was illegal. Mouritsen has never purported any other basis.

7.3.2 Mouritsen and Sampson dealings with Riverside Machine and Fabrication was without basis in that they did not deal with the owner - Wm Peterson. Mouritsen and Sampson's game playing of fabricating business meeting minutes and manipulating of directors, supposedly making papers having the existing board of directors resign and making themselves directors, even issue themselves stock in Peterson's company was not valid in that Mouritsen and Sampson had no ownership or rights and they were never legal directors appointed or voted for by the owner.

### 7.4 The defendants have intruded unlawfully into five entities of Peterson's

"Assigned Attorney" Sampson has interfered, and intruded into,

and has had conflictive representations in five separate entities of Peterson's, including:

- a) Riverside Machine and Fabrication.
- b) Pemco
- c) Best American Cellulose
- d) Peterson Family Trust
- e) Peterson personally

The conflictive workings of attorney Sampson was the last thing Peterson needed. As Peterson's attorney, Sampson was not taking direction from Peterson, but was instead taking opposing orders from opposition, Robert Mouritsen. Proof of this is evidenced by the vast papers prepared by Sampson in opposition to Peterson, but according to the directives of Robert Mouritsen.

## 8.0 STATEMENT OF THE FACTS

### 8.1 Brief Statement of Nature of the situation

Plaintiff Peterson founded, formed, set up, funded, and built from the bare ground the three corporations that the defendants have tampered with. The defendants have purported involvement in Riverside Machine and Fabrication Inc. by writing advanced minutes of company meetings. Plaintiff Peterson is the sole owner and has objected and still objects to any tampering of corporation documents by the defendants. Plaintiff Peterson maintains that he or his designated directors are the only persons who have rights to set up meetings, hold meetings, and make minutes of meetings. This right has never been given to any of the defendants. The



defendants' actions of preparing minutes for meetings of Peterson's business is viewed by Peterson as duress against him personally and his company, and no matter how they coerced or what they purported to accomplish thereafter was done by duress and is unlawful and not valid.

Note that it was always the Owners intentions of maintaining the properties secured. From the time of founding his company, Peterson intended that the real-estate and principal tools, purchased and owned personally, be held and owned personally and leased to the operating company. With the failings in the accounting operations of first Dan Barney, then obviously and principally by brother-in-law Russell Callister, Peterson felt it even more desirable to have a dedicated owner and holder of the family income assets. Mr. Peterson founded this family trust with the intent of putting in and holding indicated assets for the security of his family. (See ADDENDUM Section 17) The Peterson Family Trust was established and registered for this purpose. Mr. Peterson admittedly did not and does not have the knowledge to make such transfers.

In the family trust itself, there is a restrictive covenants which disallow asset pass-throughs as purported by the defendants' bogus minutes. (see ADDENDUM Item 17.2) Any such attempted action of the General Partners would instead require the replacement of the General Partners. For the family trust to sell substantially all of its assets requires first the dissolving of the family trust. (Ref item (f) page 11 of trust)

## 8.2 Internal Revenues view of the purported transfer

Recently Mr. Peterson inquired of the Internal Revenue Service of the legality and possibility of making such a transfer as purported by Mr. Mouritsen. Of this, tax specialist Mr. Alex Zazow of the Denver IRS office made the following statements:

1. "What Mr. Mouritsen and "assigned attorney Sampson" purport to do are to transfer assets as gifts, which has a limitations of \$10,000 without tax considerations. Gift taxes for values of in excess of a million dollars are colossal.
2. The making of such transfers without tax considerations appears to be grossly unlawful.
3. The amount of research involved to determine the legality of such a purported transfer is incalculable.
4. The time required to research such a transfer would be in the hundreds of hours.
5. The time required to research such a matter would take 6-8, even 10 months and would require several tax specialists.
6. In reality, research and determination by the Internal Revenue service is far beyond the scope of time and staff capability with something of this many dimensions.
7. If this matter were to be researched by the IRS, in the equivalent time it would take to unravel the tax consequences, the IRS staff could help 200,000 persons prepare their tax returns." - end of assessment by Alex

Zazow.

### 8.3 The defendants made great promises but no commitment

Robert Mouritsen purported that he could do for Peterson what Mike Silva was doing for the Bennett companies. Mouritsen projected that they could make the business into a \$40 million dollar per year business. Peterson continually accused the defendants of simply trying to steal the assets of the Petersons, arguing that they simply wanted to take his business and sell it off for its assets for their own personal gain. Robert Mouritsen would say "Oh, for Pete's sake, trust me Bill, I want to bring to fulfillment everything that you are attempting to do". Peterson hoped to get into operation the eleven cellulose manufacturing plants that he had. (ADDENDUM Item 22.3) He had hopes for the oil field "Wire Line" equipment product as well as the overland conveyor business. (ADDENDUM Items 22.2 & 22.1)

Mouritsen said that if they failed to do what he projected, they would turn the business back to Peterson. Peterson kept expecting the defendants to come forth with some form of purposed agreement or contract, but they never did. It was not until sometime later that Peterson found out and realized that the defendants' method of involvement in his business would not involve a contract, but they were asserting rights and ownership by bogus corporation minutes and filings as officers and owners at Utah Office of Corporations. Peterson was very upset when he discovered this and continued to file himself and his officers at the Utah Office until Peter Van Alstyne withdrew Peterson's

filings because of Sampson's letter.

If there was an oral agreement, then the defendants certainly failed to do what they said that they would do, i.e., they breached their contract.\*

#### 8.4 Defendants mislead plaintiff purporting extraordinary abilities and position

8.4.1 Mouritsen had expounded of having great virtues and abilities for business management, including his saying that he was, at that time, counseling six businesses. A business in California was mentioned and he also stated that he had obtained a multimillion dollar loan for the turkey farmers in the SanPete County area. Mouritsen said each of the businesses were paying him \$3,000 per month for his counseling. That is an income of \$18,000 per month for his counseling. It is now believed that what he was saying was not true but a fabrication to mislead Peterson into believing that Mouritsen had abilities which, in reality as a manager and counselor to business, he was not.\*

8.4.2 Peterson was told by the defendants that attorney Sampson was active in the management of FlameCo Corporation, a similar but highly successful business near Odgen. Peterson was told that in the FlameCo company organization, Mr. Sampson was the number two person from the top. Here again, plaintiff now believes that this was not true, but a fabrication to mislead Peterson into believing that Sampson had abilities when, in reality, a counsel and experience with a business he did not have.\*

8.5 Mouritsen got into plaintiff as a long time religious instructor and giving friendly counsel to a family problem

Robert Mouritsen was a religion instructor whose classes the Peterson family had paid for and regularly attended for eight years. Religious counselor Robert G. Mouritsen was originally consulted when discrepancies in accounting were discovered in association with Peterson's brother-in-law Russell Callister's work for the Peterson business. During this time, additional problems occurred when PEMCO was not paid for a State of Utah project and the company was shorted \$1/4 million for doing the material handling work for equipment to move the Vitro tailings.

In this period of time, the Petersons were attempting to survive and meet the obligations of their business. The Peterson income was almost nil, \$7,000 per year for over two years, for a family of eight. Not realized at the time, but much duress was put on Peterson's family by Mouritsen, and when Peterson would not acquiesce, Mouritsen commanded and inflicted attorney Sampson upon Peterson - even blackmailing him. Conversely, plaintiff Peterson's then wife Linda was absolutely enthralled with Mouritsen with his religious instruction, and she felt that he could do no wrong. Thus, Peterson came under considerable more duress from his wife who was subdued by Mouritsen over her husband and thus she became a tool of Mouritsen to use against Peterson.

The plaintiff numerously ask Mouritsen what was going on, and what were their intentions. He was always given the "run

around." After a day of argument and refusal by Peterson, threats of separation, at his home, in the evening, Peterson would get a call from Sampson opening, "I understand that you are not going along with what Robert is asking you to do". Come up to my home and lets talk. At attorney Sampson's home, Sampson expounded for hours on religion and the great virtues of Robert Mouritsen. After which, with Peterson seated, his attorney placed his hands upon Peterson's head and declared great and numerous blessings if Peterson would just adhere to and submit to the demands of Mouritsen, including signing their prepared bogus corporate papers. This continual pressure from the defendants (principally his supposed attorney Sampson) was a great amount of duress which went on and on and on for months driving Peterson out of his mind!! Duress - as when Fraud is Exercised; Royal v. Goss, 154 Ala 117, 121, 45 S 231; Fairbanks v. Snow, 145 Mass 153, 13 Ne 596; Randolph v. Lewis, 196 NC 51, 144 SE 545, 62 ALR 1474, quoting text; Cal Civ Code #1566; "Consent which is not free is, nevertheless, not absolutely void, but may be rescinded." (See SECTION 28.0)

With Mr. Peterson's continued to refusal to acknowledge the defendant's bogus minutes, without Peterson being told and without permission, Mr. Mouritsen went to the Peterson family home and threatened Peterson's children that their family would loose their business and home if their father would not adhere to himself and Mr. Sampson. Mr. Mouritsen told the children that the Internal Revenue Service and Prudential Federal Savings who

had loaned monies for the Denver Cellulose operation, were both threatening foreclosures on the business and the family home. This threat to the children was not true but a fabricated lie by Robert Mouritsen to scare Peterson's children to cry to their father to adhere to Mr. Mouritsen and Mr. Sampson. Again Mouritsen applied illegal "third party" duress against Peterson; Duress - To Threaten Injury to Third Person; Tallmadge v Robinson, 158 Oh St 333, 49 Oh Ops 206, 109 NE2d 496; Foley v Greene, 14 RI 618. (See SECTION 29.0)

#### 9.0 SUMMARY OF THE ARGUMENT

As an undergraduate engineer, the plaintiff took a basic law class taught by Edward Clyde. Herein he learned that a contract between parties required five fundamental conditions as follows:

- 1) LEGAL - what is purported to be accomplished must be legal.
- 2) MUTUAL CONSIDERATION - an equatable exchange of value must occur.
- 3) WITHOUT DURESS - duress, force or pressure cannot be used against either party to make or coerce either party to acquiesce.
- 4) MEETING OF MINDS - both sides must understand the transaction and there must be a mutual agreement between them.
- 5) IN WRITING - Some transactions including the transfer of properties must be in writing.

In the immediate matter, NONE of the five requirements have

been met.

#### 10.0 ARGUMENT

What the defendants are purporting to do is against all practical and business logic. They purport to have acquired the plaintiff's business including his personal assets of tools and real-estate simply by fraudulently declaring it worth nothing and then taking it for nothing.

Their purposed instruments of the transaction were bogus minutes which cannot lawfully be used as instruments. The transaction involving Peterson's family trust is not possible by a restriction of the trust and is illegal.

Their purposed counsel for the matter is the conflictive common use of the defendant's attorney John Sampson.

Their purposed vehicle for accomplishment of the transaction was to appoint themselves directors of Peterson's business and issue themselves stock in Peterson's company, i.e. invading into the company without having any rights in the company.

Their method of enforcement is deceit and duress upon all the members of the Peterson family. (not knowing duress)

In summary, what the defendants purport appears to be a generation and perpetuating of illegal agreements between business founder and owner Peterson, his family trust, and his business. The defendants are not a party to any of these agreements but the defendants are attempting to perpetuate this agreement between entities of Peterson's to posture a fraudulent



declaration of no value, then a gift to themselves.

#### 11.0 CONCLUSION AND RELIEF SOUGHT

By duress on the Peterson family, the defendants are attempting to enforce a bogus illegal agreement between entities of Peterson, an agreement of which they are not a party.

In summary, what they purport is an unlawful intrusion into the Petersons' private lives and corporate affairs where they have no rights, using deceit and duress on the Peterson family and the officers of the corporation wherein attempting to obtain credence to their bogus corporate minute creations.

Mr. Peterson said NO! and refused to go along with their bogus meeting minutes. In response to a court order to answer interrogatories, the defendants now maintain they have a verbal agreement with plaintiff Peterson for the taking of his business. Plaintiff Peterson does not now and never has agreed to give up his \$6.2 million dollar business and his way of making a living for nothing. Plaintiff Peterson calls the defendants actions covert, fraud, duress, invasion, conversion, theft, and unjust enrichment. Furthermore, since the pattern of the defendants' activities apply to many entities of Peterson's, a pattern of racketeering is evident, likewise, the defendants are charged with racketeering.

#### 12.0 SIGNATURE

Dated this 4<sup>th</sup> day of June, 1991.

  
\_\_\_\_\_  
William D. Peterson, pro se

### 13.0 MAILING CERTIFICATE

#### CERTIFICATE OF MAILING

This is to certify that a true and correct copy of the foregoing is being deposited with the United States Mail, first class, postage prepaid, in an envelope addressed to:

C. DeMont Judd, Jr., Attorney  
2650 Washington Boulevard - Suite 102  
Odgen, Utah 84401

-----  
Ref: Phone (801)621-4015

this 4<sup>th</sup> Day of June, 1991.

  
William D. Peterson

#### ADDENDUM

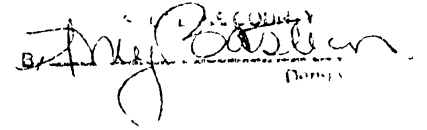
14.0	COURT ORDERS	
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16.2	Peterson chaired directors meeting of April 8, 1989 . . . . .	52
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17.0	PETERSON FAMILY PARTNERSHIP EXERTS	
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	Partners from any action to sell all or substantially all of its assets. This clause disallows any transfers as purported by bogus minutes of Sampson and Mouritsen.	
18.0	UCC-1 FILINGS DECLARING AND PROTECTING OWNERSHIP OF TOOLS	
18.1	041059 - PEMCO 5000 plant and equipment, tractor, etc, . . . . .	58

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FEB 14 1991

  
Pat B. Brian

C. DeMONT JUDD, JR. (#1760)  
 Attorney for Defendants  
 2650 Washington Blvd., Suite 102  
 Ogden, Utah 84401  
 Telephone: (801) 621-4015

IN THE THIRD JUDICIAL DISTRICT COURT OF SALT LAKE COUNTY,  
 STATE OF UTAH

-----ooo0ooo-----

WILLIAM DONALD PETERSON, II :

Plaintiff, :

FINDINGS OF FACTS

vs. :

ROBERT G. MOURITSEN, JOHN P. :  
 SAMPSON, JOHN J. McSWEENEY, :  
 and MAC INDUSTRIES, A Utah :  
 Corporation, :

Case No.: 900905733PR  
 Judge: Pat B. Brian

Defendants. :

-----ooo0ooo-----

THIS MATTER came on for hearing before the above entitled court, the Honorable Pat B. Brian, presiding; the plaintiff being personally present, pro se, and the defendants not being personally present but represented by C. DeMont Judd, Jr., their attorney, and the Court having heard the representations of the plaintiff and the defendant, the Court made the following:

1. That the plaintiff had not followed the Utah Rules of Civil Procedure. The Court further finds that the plaintiff sued himself as a party defendant on October 5, 1990, and on October 15, 1990, filed an Answer in which he admitted all of the assertions of the complaint. The Court finds that the plaintiff

C. DEMONT JUDD, JR.

ATTORNEY AT LAW

2650 WASHINGTON BOULEVARD  
 OGDEN, UTAH 84401

621-4015

FINDINGS OF FACTS

Peterson v. Sampson, et al  
900905733

has sued himself, contrary to the Utah Rules of Civil Procedure and that such suit requires that the defendant, William D. Peterson, III, be dismissed as a party defendant.

2. The Court further finds that the complaint is unintelligible as to who is suing and who is being sued. The Court.

3. The Court further finds that the complaint is unintelligible with reference to the alleged wrong-doing.

4. The Court further finds that the complaint is deficient and does not meet the notice requirements as required in this jurisdiction in that he does not designate what wrong was done, when the wrong was done or how the wrong was done.

5. The Court further finds the complaint deficient in that the facts, as presented, do not present a cause of action.

6. That the Court finds that the facts do not meet the notice requirements so that the defendants can be on notice as to what they wrong they are alleged to have done.

7. That the Court finds that the complaint does not state a claim upon which relief can be granted.

8. The Court suggests to the plaintiff that, if further action is going to be taken, plaintiff should consult with counsel, have the assistance of counsel.

9. The Court further finds that if the plaintiff persists in filing actions against individual, the plaintiff may

FINDINGS OF FACTS

Peterson v. Sampson, et al  
900905733

well be sued for abusive process or malicious prosecution.


10. That the counsel for the defendant should prepare detail findings of fact for the purpose of establishing the court's ruling dismissing the complaint.

Dated this 14 day of February, 1991.

  
DISTRICT COURT JUDGE

CERTIFICATE OF MAILING

I certify that on this 4 day of February, 1991, I mailed a true and correct copy of the foregoing first class mail and postage prepaid to: William D. Peterson, III, 9174 Quail Hollow Drive, Sandy, Utah 84093; also, % Paul E. Peterson, 1444 Murphy's Lane, Salt Lake City, Utah 84106.

  
Secretary

FEB 14 1991

By Thief Bost  
Deputy

C. DeMONT JUDD, JR. (#1760)  
 Attorney for Defendants  
 2650 Washington Blvd., Suite 102  
 Ogden, Utah 84401  
 Telephone: (801) 621-4015

IN THE THIRD JUDICIAL DISTRICT COURT OF SALT LAKE COUNTY,  
 STATE OF UTAH

-----ooo0ooo-----

WILLIAM DONALD PETERSON, II :

Plaintiff, :

ORDER OF DISMISSAL

vs. :

ROBERT G. MOURITSEN, JOHN P. :

SAMPSON, JOHN J. McSWEENEY, :

and MAC INDUSTRIES, A Utah :

Corporation, :

Case No.: 900905733PR

Judge: Pat B. Brian

Defendants. :

-----ooo0ooo-----

THIS MATTER came on for hearing before the above  
 entitled court, the Honorable Pat B. Brian, presiding; the  
 plaintiff being personally present, pro se, and the defendants  
 not being personally present but represented by C. DeMont Judd,  
 Jr., their attorney, and the Court having heard the  
 representations of the plaintiff and the defendant, the Court  
 having filed his Findings of Fact makes the following Order:

IT IS HEREBY ORDERED AJUDGED AND DECREED:

1. That the Complaint, Civil No. 900905733PR, be and  
 the same is dismissed.

Dated this 14 day of February, 1991.

JAN 15 1991

SALT LAKE COUNTY  
By Myra B. Brian  
Deputy

R. PAUL VAN DAM  
Attorney General  
DENISE CHANCELLOR, USB # 5452  
Assistant Attorney General  
MELISSA HUBBELL, USB # 5090  
Assistant Attorney General  
236 State Capitol  
Salt Lake City, Utah 84114  
Telephone: (801) 538-1017

IN THE THIRD JUDICIAL DISTRICT COURT  
IN AND FOR SALT LAKE COUNTY, STATE OF UTAH

---

William D. Peterson II,  
Plaintiff,

v.

Robert G. Mouritson, John P. Sampson,  
John McSweeney, and MAC Industries,  
Defendants.

---

:  
:  
: ORDER  
:  
: Civil No. 900905733PR  
:  
:  
: Judge Pat B. Brian  
:  
:

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The above captioned matter came before the Court, the Honorable Pat B. Brian presiding, on January 7, 1991, for hearing on the Plaintiff's Order to the State of Utah to Show Cause.

The plaintiff, William D. Peterson, appeared pro se, the defendants were represented by DeMont Judd. The State of Utah made a special appearance, represented by Denise Chancellor, asserting that the State was not a named party in this case, that it had not been served by any named party and that the court did not have jurisdiction over the State.

The Court having heard the arguments from Ms. Chancellor and Mr. Peterson, and having reviewed the record



before it, now for good cause appearing, enters the following order:

IT IS HEREBY ORDERED that the State of Utah's motion to be excused from the proceedings in this case is granted on the grounds that the Court does not have jurisdiction over the State of Utah in this case.

DATED this 15 day of January, 1991.

BY THE COURT:

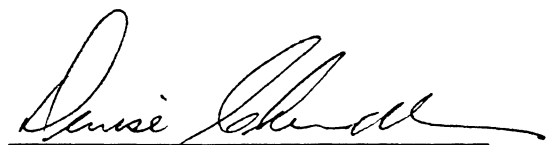
  
JUDGE PAT B. BRIAN  
Third District Court

**CERTIFICATE OF MAILING**

This is to certify that a true and correct copy of the foregoing Order was mailed, first class, postage prepaid, to the following, this 9<sup>th</sup> day of January, 1991:

William D. Peterson  
9174 Quail Hollow Drive  
Sandy, Utah 84093

DeMont Judd  
2650 Washington Bld., #102  
Ogden, Utah 84401

  
Denise Chancellor

JAN 15 1991

SALT LAKE COUNTY  
By Myrle Eastman  
Deputy Clerk

C. DeMONT JUDD, JR. (#1760)  
Attorney for Defendants  
2650 Washington Blvd., Suite 102  
Ogden, Utah 84401  
Telephone: (801) 621-4015

IN THE THIRD JUDICIAL DISTRICT COURT OF SALT LAKE COUNTY,  
STATE OF UTAH

-----0000000-----

WILLIAM DONALD PETERSON, II :

Plaintiff, :

vs. :

ROBERT G. MOURITSEN, JOHN P. :  
SAMPSON, JOHN J. McSWEENEY, :  
and MAC INDUSTRIES, A Utah :  
Corporation, :

Defendants. :

ORDER ON MOTION TO  
DISMISS FOR FAILURE  
TO STATE A CLAIM OR IN  
THE ALTERNATIVE TO  
TRANSFER TO JUDGE  
ROKICH

Case No.: 900905733PR  
Judge: Pat B. Brian

-----0000000-----

THIS MATTER came on for hearing before the above  
entitled court, pursuant to notice, the Honorable Pat B. Brian  
presiding; the plaintiff being personally present, pro se, and  
the defendants not being personally present by being represented  
by their attorney, C. DeMont Judd, Jr., and the Court having  
received the representations of the parties, with respect to the  
relative positions of the parties, and the Court having inquired  
as to whether or not the plaintiff would be willing to have the  
matter transferred to Judge Rokich, and the plaintiff having  
objected thereto, the Court suggested that the matter be  
continued until a day certain for the purpose of a hearing on the  
issues as set forth in the Order To Show Cause and the Motions to

C. DeMONT JUDD, JR.

ATTORNEY AT LAW

2650 WASHINGTON BOULEVARD  
OGDEN, UTAH 84401

621-4015

ORDER...

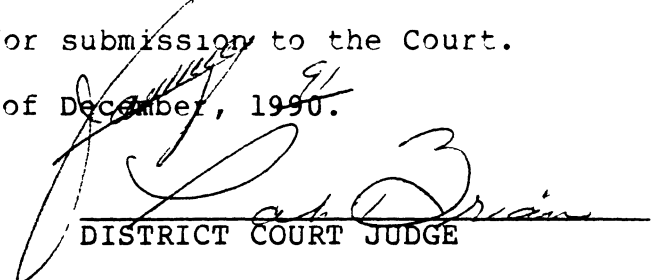
Peterson v. Sampson, et al.

Page: 2

Dismiss.

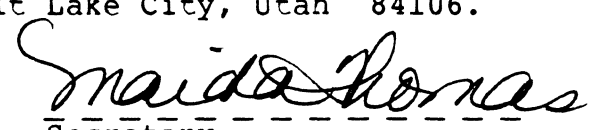
The defendants agreed to file an Answer to the Complaint in order to set the matter at issue for the purposes of the Court and the Court ordered that the attorney for the defendants prepare this Order for submission to the Court.

Dated this 15 day of December, 1990.

  
DISTRICT COURT JUDGE

CERTIFICATE OF MAILING

I certify that on this 24 day of December, 1990, I mailed a true and correct copy of the foregoing first class mail and postage prepaid to: William D. Peterson, II, & Paul E. Peterson, 1444 Murphy's Lane, Salt Lake City, Utah 84106.

  
Secretary

ARTICLES OF INCORPORATION  
of  
PRODUCT ENGINEERING AND MANUFACTURING COMPANY  
(Incorporated under the Laws of Utah)

FIRST: The name of this corporation (hereinafter called the corporation) in Product Engineering and Manufacturing Company.

SECOND: The corporation's initial registered office and its principal office in the State of Utah is located at 4727 Riverside Drive, Murray, Utah 84107, and its initial registered agent at such address is William D. Peterson.

THIRD: The nature of the business and the objects, powers, and purposes to be transacted, promoted, and carried on by the corporation are:

1. To sell and deal in all types of material handling equipment and energy conversion equipment; to manufacture, use, buy, sell at wholesale and retail, lease, distribute or in any way deal in material handling equipment and energy conversion equipment, machines and supplies, and all apparatus, products and property thereto related, whether patented or unpatented; to manufacture, use, buy, sell at wholesale or retail, or otherwise deal in all materials and articles required in the manufacture and use of such articles, items, products, apparatus, and property and to undertake, conduct, manage, assist, promote and engage or participate in any kind of research or scientific research or scientific, experimental, design, or development work, including pure basic research, related or incidental to the accomplishment of such purposes, and to manufacture, make, print, publish, distribute, sell or otherwise deal in advertising material, brochures, literature and related items in connection with the sale and distribution of said items; to use, to analyze, to evaluate, to design, to engineer, and/or to manufacture any product.

and the enumeration of specific objects, powers and purposes shall not be construed to restrict in any manner the general powers of the corporation, nor shall the expression of one thing be deemed to exclude another, although it be of like nature. Nothing herein contained shall be construed as authorizing the corporation to transact any business prohibited to corporations organized under the present or future laws of the State of Utah.

FOURTH: The amount of the total authorized Capital Stock of the corporation shall be ten thousand dollars (\$10,000) consisting of ten thousand (10,000) shares of Capital Stock all of one and the same class of the par value of one dollar (\$1) per share.

FIFTH: The Capital Stock, after the amount of the subscription price or par value has been paid in, shall be subject to no further assessment and the private property of the Stockholders shall not be subject to the payment of the corporation's debts or obligations to any extent whatsoever.

SIXTH: The Stockholders shall have no pre-emptive rights to acquire unissued shares of stock of the corporation.

SEVENTH: The names and addresses of each of the incorporators signing these Articles of Incorporation are as follows:

NAME	ADDRESS
William D. Peterson	1996 East 4675 South Holladay, Utah 84121
Linda C. Peterson	1996 East 4675 South Holladay, Utah 84121
Dan L. Barney	4388 Highland Dr. #22 Salt Lake City, Utah 84117

EIGHTH: The members of the governing board of the corporation shall be known as Directors, and the number thereof shall be not less than three (3) nor more than twenty-two (22), the exact number to be fixed by the By-Laws of the corporation; provided that the number so fixed by the By-Laws may be increased or decreased within the limit above specified, from time to time, by amendment to the By-Laws. The election of Directors need not be by ballot.

The first Board of Directors shall consist of three members. The names and addresses of the first Board of Directors, who shall serve until the holding of the first meeting of the Stockholders and until their successors shall have been duly elected and shall have qualified, are as follows:

NAME	ADDRESS
William D. Peterson	1996 East 4675 South Holladay, Utah 84121
Linda C. Peterson	1996 East 4675 South Holladay, Utah 84121
Dan L. Barney	4388 Highland Dr. #22 Salt Lake City, Utah 84117

IN WITNESS WHEREOF, we have hereunto set our hands and seals  
as of this 16 day of May, 1975

William D. Peterson      Linda C. Peterson

Dan L. Barney

STATE OF UTAH      )  
COUNTY OF SALT LAKE ) ss.

I, Judy Pearce, a notary public, hereby  
certify that on this 16 day of May 1975 personally appeared  
before me, William D. Peterson, Linda C. Peterson, and Dan L. Barney, who  
being by me first duly sworn, severally declared, verified and certified  
that they are the persons who signed the foregoing document as incorporators  
and that the statements therein contained are true.

My commission expires:

Sept 12, 1977

Judy Pearce

Notary Public for the State of Utah

FILED in the office of the Lieutenant Governor  
of the State of Utah on the 8th  
day of December, 1983

15.2

11/05/1971

Filing Clerk J. J. FEE \$50.00

ARTICLES OF INCORPORATION  
OF  
BEST AMERICAN CELLULOSE

#107033

We, the undersigned, natural persons, each of the age  
of twenty-one years or more, acting as incorporators of a  
corporation (hereinafter referred to as the Corporation)  
under the Utah Business Corporation Act (hereinafter referred  
to as the Act), adopt the following Articles of Incorporation  
for such Corporation:

ARTICLE I

The name of the Corporation is Best American Cellulose.

ARTICLE II

The Corporation shall continue in existence perpetually  
unless dissolved according to law.

ARTICLE III

Section A. The purpose for which the Corporation is  
organized are as follows:

1. To engage in, carry on and operate the general  
business of collecting scrap paper products and metal waste  
and to remanufacture the scrap paper into insulation or other  
paper products.



## ARTICLE X

The name and address of each incorporator is:

Name	Address
William D. Peterson,	1996 E. 4675 South Salt Lake City, Utah 84117
Linda C. Peterson	1996 E. 4675 South Salt Lake City, Utah 84117
Russell D. Callister	4683 Kelly Circle Holladay, Utah 84117

IN WITNESS WHEREOF, the undersigned, being all of the incorporators designated in Article X hereof, on this 6<sup>th</sup> day of December, 1983, do hereby execute these Articles of Incorporation and certify to the truth of the facts therein stated.

William D. Peterson

Linda C. Peterson

Russell D. Callister

prepared by the Division of Corporations  
and Secretary of State of the State of Utah

Page 1

**118115**

11<sup>th</sup> Dec 85  
BS  
50.00

## ARTICLES OF INCORPORATION

of

## RIVERSIDE MACHINE &amp; FABRICATION COMPANY

to be an employee owned business

(Incorporated under the Laws of Utah)

FIRST: The name of this corporation (hereinafter called the corporation) is Riverside Machine & Fabrication Company.

SECOND: The corporation's initial registered office and its principal office in the State of Utah is located at 4727 Riverside Drive, Murray Utah 84123, and its initial registered agent at such address is William D. Peterson. *William D Peterson*

THIRD: The nature of the business and the objects, powers, and purposes to be transacted, promoted, and carried on by the corporation are:

1. To sell and deal in all types of machined and/or fabricated materials and equipment; to manufacture, use, buy, sell at wholesale and retail, lease, distribute high tech aerospace, energy, mining, computer and medical equipment, machines and supplies, and all apparatus, products and property thereto related, whether patented or unpatented; to manufacture, use, buy, sell at wholesale or retail, or otherwise deal in all materials and articles required in the manufacture and use of such articles, items, products, apparatus, and property and to undertake, conduct, manage, assist, promote and engage or participate in any kind of research or scientific research or scientific, experimental, design, or development work, including pure basic research, related or incidental to the accomplishment of such purposes, and to manufacture, make, print, publish, distribute, sell or otherwise deal in advertising material, brochures, literature and related items in connection with the sale and distribution of said items; to use, to analyze, to evaluate, to design, to engineer, and/or to manufacture any product.

2. To establish, maintain, and conduct dealerships, franchises, marketing facilities and distribution programs in connection with the manufacture, distribution, sale, installation, use, maintenance, improvement or repair of machines, apparatus, products or properties and the articles

c c n i n c c 7 8 5

required in the use thereof or used in connection therewith, or sold, leased, or otherwise dealt in by the corporation, either alone or in association with any other person, association, corporation, subsidiary, or affiliate and in any part of the world, to such extent as a corporation organized under the laws of the State of Utah may lawfully do now or hereafter.

3. To purchase, acquire, construct, lease, maintain, use, operate, own, and sell, all plants, buildings, warehouses, manufacturing plants, depots, structures, constructions, facilities, machinery, apparatus, appliances, equipment, implements, offices, vehicles, trucks, cars, and agencies of every kind, nature and description, used or useable in the carrying out of any of the objects, purposes, and businesses mentioned in these Articles.

4. To purchase or otherwise acquire the whole or any part of any business or businesses (including the whole or any part of the tangible or intangible assets, good will, rights and other property of any person, firm, association, foundation, corporation, or organization, or whatsoever character), and to pay for all or any part or combination thereof in cash, or in shares of its own Capital stock, or in its bonds, debentures, notes, or other obligations, or otherwise; and to exercise all the powers necessary or convenient in or about the conduct, management, or carrying on of any such acquired business or businesses.

5. To apply for, or purchase or otherwise acquire, and to grant licenses for the use of, to operate under, to sell, assign, or otherwise deal in and use franchises, patents, patent rights, labels, privileges, licenses, trademarks, trade names, symbols, copyrights, improvements, devices and improved or secret processes of every sort and description.

6. To research, develop produce, build, manufacture, patent, market and sell any and all types of equipment, tools, instruments and inventions, and to construct, produce and sell the above-mentioned items made of all types of materials including steel, wood plastics or any and all other materials.

7. To borrow money either on open account or with such security as the Board of Directors may direct and to buy, sell, and deal in all commercial paper, notes, mortgages and other evidences of indebtedness in connection with and deemed convenient in the operation of the business or businesses of the corporation.

8. To do any and all things necessary, suitable, convenient, expedient or proper for the accomplishment of, or incidental to the powers of, its business or businesses whether similar in nature to the objects or purposes herein above set forth or otherwise.

IN GENERAL to do any or all of the things herein set forth to the same extent as natural persons might or could do in any part of the world, as principal, agent, contractor, trustee, or otherwise, either alone or in company with others, and with all the powers conferred upon corporations by the present or future laws of the State of Utah.

It is the intention that each of the objects, powers and purposes specified in each of the paragraphs of this THIRD article of these Articles of Incorporation shall, except where otherwise specified, be in nowise limited or restricted by reference to or inference from the terms of any other paragraph or of any other Article in these Articles of Incorporation, but that the objects, powers and purposes specified in this THIRD article and in each of the other articles or paragraphs of these Articles of Incorporation shall be regarded as independent objects, powers and purposes, and the enumeration of specific objects, powers and purposes shall not be construed to restrict in any manner the general powers of the corporation, nor shall the expression of one thing be deemed to exclude another, although it be of like nature. Nothing herein contained shall be construed as authorizing the corporation to transact any business prohibited to corporations organized under the present or future laws of the State of Utah.

FOURTH: The amount of the total authorized Capital Stock of the corporation shall be one hundred thousand dollars (\$100,000) consisting of one hundred thousand (100,000) shares of Capital Stock all of one and the same class of the par value of one dollar (\$1) per share.

FIFTH: The Capital Stock, after the amount of the subscription price or par value has been paid in, shall be subject to no further assessment and the private property of the Stockholders shall not be

subject to the payment of the corporation's debts or obligations to all extent whatsoever.

SIXTH: The Stockholders shall have no pre-emptive rights to acquire unissued shares of stock of the corporation.

SEVENTH: The names and addresses of each of the incorporators signing these Articles of Incorporation are as follows:

NAME	ADDRESS
Linda C. Peterson	1996 East 4675 South Holladay, Utah 84117
Millie Lou Peterson	1996 East 4675 South Holladay, Utah 84117
William D. Peterson	1996 East 4675 South Holladay, Utah 84117

EIGHT: The members of the governing board of the corporation shall be known as Directors, and the number thereof shall be not less than three (3) nor more than twenty-two (22), the exact number to be fixed by the By-Laws of the corporation; provided that the number so fixed by the By-Laws maybe increased or decreases within the limit above specified, from time to time, by amendment to the By-Laws. The election of Directors need not be by ballot.

The first Board of Directors shall consist of six members. The names and addresses of the first Board of Directors, who shall serve until the holding of the first meeting of the Stockholders and until their successors shall have been duly elected and shall have qualified, are as follows:

NAME	ADDRESS
W. Don Peterson	1549 East 6015 South Salt Lake, Utah 84121
Linda C. Peterson	1996 East 4675 South Holladay, Utah 84117

Millie Lou Peterson	1996 East 4675 South Holladay, Utah 84117
James Robert Limb	6939 South 2200 West West Jordan, Utah 84084
William D.A. Breeman	819 East 9590 South Sandy, Utah 84070
Paul E. Peterson	2219 Panorama Way Holladay, Utah 84117

The Directors shall be elected at the annual meeting of the Stockholders and shall hold their offices for a term of one year thereafter and until their successors shall have been duly elected and shall have qualified: provided that if the number of Directors is increased by amendment to the By-Laws or if a vacancy is created or occurs on the Board of Directors, additional Directors may be elected to fill such new position or any such vacancy by the vote of the Board of Directors or the Stockholders, as specified in the By-Laws, and any Director so elected shall hold office until the next annual meeting of the Stockholders and until his successor shall have been duly elected and shall have qualified.

NINTH: The Board of Directors, subject to the By-Laws, if any, adopted by the Stockholders, shall have power to make or adopt and change or amend or repeal By-Laws not consistent with the Constitution or Laws of the United States or the State of Utah for the management and regulation and government of the affairs and property of the corporation, the transfer of its Capital Stock, the transactin of its business, the calling and holding of meetings of its Stockholders, and for such other purposes as may properly be incorporated in such By-Laws.

TENTH: The corporation is to have perpetual existence.

ELEVENTH: Meetings of the Stockholders and Board of Directors may

be held outside of the State of Utah, and the books, stock ledgers, documents, and papers of the corporation may be kept outside of the State of Utah, subject to the laws of the State of Utah, at such places as may be designated from time to time by the Board of Directors.

TWELFTH: The corporation reserves the right to amend, alter, change, or repeal any provision contained in these Articles of Incorporation in the manner now or hereafter prescribed by statute and by the affirmative vote of the holders of at least a majority of the shares of the issued and outstanding Capital Stock of the corporation having voting power, and all rights and powers conferred upon the Board of Directors and Stockholders herein are granted subject to this reservation.

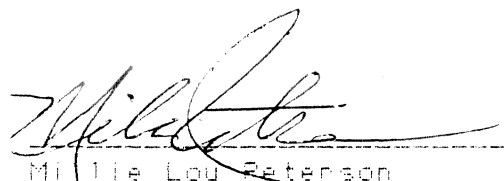
THIRTEENTH: The corporation will not commence business until consideration of at least one thousand dollars (\$1,000) has been received by it for issuance of shares of its Capital Stock.

WE, THE UNDERSIGNED, being each of the original incorporators hereinbefore named and each being natural persons over twenty-one years of age, for the purpose of forming a corporation to do business both within and without the State of Utah, and pursuant to the provision of the Corporation Laws of the State of Utah, and acts amendatory thereof and supplemental thereto, do make, adopt, and file these Articles of Incorporation, hereby declaring, verifying, and certifying that the facts herein stated are true.

IN WITNESS WHEREOF, we have hereunto set our hands and seals as of this 29<sup>th</sup> day of November 1985.



William D. Peterson

  
Millie Lou Peterson

Linda C. Peterson  
 Linda C. Peterson

STATE OF UTAH                    )  
   ) ss.  
 COUNTY OF SALT LAKE    )

I, HENRA Wilson, a notary public, hereby certify that on this 29<sup>th</sup> day of November, 1985 personally appeared before me, William D. Peterson, Linda C. Peterson, Millie Lou Peterson, and Paul E. Peterson, who being by me first duly sworn severally declared, verified and certified that they are the persons who signed the foregoing document as incorporators and that the statements therein contained are true.

My commission expires:

05-12-89

HENRA Wilson

Notary Public for the State of Utah  
 Residing at Salt Lake City, Utah



Certificate  
No. 90,000 Shares

Issued to  
William D. Peterson II

dated June 2, 1986

from whom transferred  
all capital stock in stock

dated June 2, 1986

Original Certificate No.	No. Original Shares	No. of Shares Transferred
600	90,000	—

received Certificate No. \_\_\_\_\_  
Shares \_\_\_\_\_  
day of \_\_\_\_\_ 19\_\_

INCORPORATED UNDER THE LAWS OF UTAH

No. \_\_\_\_\_

UTAH

\$175,000.00

RIVERSIDE MACHINE & FABRICATION COMPANY

Authorized: One Hundred Thousand Shares

THIS CERTIFIES THAT William D. Peterson II is the owner of  
Ninety Thousand Shares of the Capital Stock of  
transferable only on the books of the Corporation by the holder hereof in  
reason or by Attorney upon surrender of this Certificate properly endorsed  
In Witness Whereof the said Corporation has caused this Certificate to be signed by its duly  
authorized officers and to be sealed with the seal of the Corporation  
this 2nd day of June 1986  
for assignments of assets Exhibits A and B  
per Mour tsen ASSIGNMENT document

Certificate  
No. 7,000 Shares

Issued to  
William D. Peterson  
in by Partnership  
on June 2, 1986

from whom transferred  
all capital stock in stock

dated June 2, 1986

Original Certificate No.	No. Original Shares	No. of Shares Transferred
600	7,000	—

received Certificate No. \_\_\_\_\_  
Shares \_\_\_\_\_  
day of \_\_\_\_\_ 19\_\_

INCORPORATED UNDER THE LAWS OF UTAH

No. \_\_\_\_\_

UTAH

\$2,000.00

RIVERSIDE MACHINE & FABRICATION COMPANY

Authorized: One Hundred Thousand Shares

THIS CERTIFIES THAT William D. Peterson Family Partnership is the owner of  
Seven Thousand Shares of the Capital Stock of  
transferable only on the books of the Corporation by the holder hereof in  
reason or by Attorney upon surrender of this Certificate properly endorsed  
In Witness Whereof the said Corporation has caused this Certificate to be signed by its duly  
authorized officers and to be sealed with the seal of the Corporation  
this 2nd day of June 1986  
for capitalization, works in process, receivables  
per November 7, 1985, net UCC-1 of Oct 1982

Board of Directors Meeting  
Riverside Machine and Fabrication Co. Inc.

April 8, 1989

WDP file:RsideA8.min

1. Meeting held at 1549 East, 6015 South Holladay, Ut.
2. Attended by William D. Peterson - President & Director  
W. Don Peterson - Vice President & Director  
Faun A. Peterson - Sec/Treas & Director
3. Resolved that the above are officers as presented.
4. Resolved that the resignations prepared by Sampson or Mouritsen for the directors of the company could not or were not necessarily accepted.
5. Resolved as previously agreed that W. & Don Peterson shall perpetually remain a Director until the time he, or whom he may designate, are fully paid his first mortgage position which he maintains with full approval of the board, even though Mouritsen, McSweeney & Sampson may maintain they obtained his release without paying said first mortgage owing to him.
6. Resolved that W. Don Peterson or who he may designate shall maintain his lien, (as previously made and held) on all William D. Peterson assets including all real-estate, tools, receivables, and inventories at 4727 and 4747 Riverside Drive Murray, Utah, until such time as he, whom he may designate are fully paid.
7. Resolved that the directors approved issuance of 90,000 shares of stock to President William D. Peterson as of June 2, 1986, and approved of issuance of 7,000 to the William D. Peterson Family Partnership as of June 2, 1986.
8. Resolved that William D. Peterson owns the manufacturing properties.
9. Resolved that William D. Peterson owns the manufacturing tools.
10. Resolved that \$7,000 per month, for rental demands to Riverside Machine & Fabrication (dba MAC Industries), are owing to William Peterson for usage since July 1986.
11. Resolved that President William D. Peterson or the Board of directors never wrote or signed any agreement giving any interests or rights to Robert Mouritsen, John McSweeney, or John Sampson.
12. Resolved that President William D. Peterson never called or conducted any meeting wherein any interests or rights were transmitted to Robert Mouritsen, John McSweeney, or John Sampson.

13. Resolved that no oral agreement was ever consummated wherein any interests or rights were transmitted to Robert Mounitsen, John McSweeney, or John Sampson.

14. Resolved that Robert Mounitsen, John McSweeney, and their attorney John P. Sampson have attempted to take possession and control of both William Peterson and his business Riverside Machine & Fabrication Co., by persuasion, force, fraud, blackmail, interference in Peterson family, interference in Peterson Marriage, and deceit in the Third District Court of the State of Utah. Given opportunity, they have failed to present any rights to the business.

15. Resolved that any representation of rights and/or proof of the same were requested of defendants (Mounitsen, McSweeney and Sampson) in court: that their answers were received by Wm Peterson on April 7, 1989; and that defendants answers gave no claim and proof of claims to any rights in Riverside Machine and Fabrication Co., dba MAC Industries, and any rights to William D. Peterson's properties.

16. Resolved that Robert Mounitsen, John McSweeney and John Sampson be immediately terminated as employees of Riverside Machine and Fabrication Co., dba MAC Industries.

17. Resolved that John P. Sampson be immediately terminated as attorney for Riverside Machine and Fabrication Co., dba MAC Industries.

18. Resolved that President Wm Peterson continue to seek damages caused by the attempted take over of Riverside Machine and Fabrication Co. Inc. by the three defendants.

19. Resolved that Robert Limb be sought for the immediate manager of Riverside Machine and Fabrication Co..

20. Resolved that William D. Peterson continue to employ Attorney Allen Thompson, having experience in conflict of interest matters while working at the California State Bar, to prepare and file appropriate papers with the Utah State Bar Association in the matter of conflictive interests of Attorney John P. Sampson in his representation of all parties Mounitsen, McSweeney and Peterson.

Attested to by its directors:

William D. Peterson date April 8, 1989  
signed by William D. Peterson - President & Director

W. Don Peterson date April 8, 1989  
signed by W. Don Peterson - Vice President & Director

Fawn A. Peterson date April 8, 1989  
signed by Fawn A. Peterson - Sec/Treas & Director

APPROVED by the division of Corporations  
and Commercial Code of the Utah State  
Department of Commerce

on the 11th day of July A.D. 19 89

Corporate Documents Examiner mc

Fees paid \$ 35.00

Articles of merger  
file: mergant.pco  
April 20, 1987

MERGER and CONSOLIDATION  
of

MAC INDUSTRIES, Utah Corp. No. 118115

**EXPEDITE**

Incorporated originally by William D. Peterson  
as Riverside Machine & Fabrication Company  
at 4727 Riverside Drive, Murray Utah 84123  
into

PETERSON PRODUCT ENGINEERING & MANUFACTURING CORPORATION

1444 Murphy's Lane, SLC, Ut 84106

herein called THE COMPANY, being Utah Corp. No. 137734

Per rule 16-10-70 of Utah's corporation laws and uniform  
commercial code and with appropriate assignments made by William  
D. Peterson, MAC Industries is hereby merged into and  
consolidated as a part of PETERSON PRODUCT ENGINEERING &  
MANUFACTURING CORPORATION.

PLAN OF MERGER:

- (a) The name of the subsidiary corporation is MAC Industries.
- (b) The name of the corporation owning at least 90% of its shares, which is hereinafter designated as the surviving corporation is PETERSON PRODUCT ENGINEERING & MANUFACTURING CORPORATION.
- (c) In exchange for each share held of MAC Industries, one share of PETERSON PRODUCT ENGINEERING & MANUFACTURING CORPORATION shall be issued.

NUMBER OF OUTSTANDING SHARES:

- (a) William D. Peterson owns 100,000 initial shares of PETERSON PRODUCT ENGINEERING & MANUFACTURING CORPORATION.
- (b) William D. Peterson family trust owns 7,000 shares of THE COMPANY in exchange for its stock in MAC Industries.
- (c) William D. Peterson owns 90,000 additional shares of THE COMPANY in exchange for his stock in MAC Industries.
- (d) 197,000 shares of THE COMPANY are thus outstanding.

*Total issued  
WDP*

NOTIFICATION OF MERGER:

Record of noticed of plan of merger is made as of Mar. 30, 1989, wherein a copy of the plan of merger was mailed to each shareholder of record or their representative, these shareholders having previously obtained stock of the subsidiary corporation by legal agreement with bonafide officers of the corporation, for consideration, and without circumstances of duress.

SIGNED:

William D. Peterson

William D. Peterson, President

PETERSON PRODUCT ENGINEERING & MANUFACTURING CORPORATION

Ann P. Hayes

Ann P. Hayes, Secretary

10.3.2

STATE OF UTAH  
DEPARTMENT OF COMMERCE  
DIVISION OF CORPORATIONS AND COMMERCIAL CODE

I hereby certify that the foregoing is a true  
copy of Articles & Amendments  
and the endorsements thereon, as the same is  
taken from and compared with the original filed  
in the office of this Division on the 6th  
day of July A.D. 1989 and  
now remaining on file and of record therein



Peter Van Alstyne  
PETER VAN ALSTYNE  
DIVISION DIRECTOR

Date 8-10-90 File # 137734  
By Mary Ann Roberts

## AGREEMENT OF LIMITED PARTNERSHIP

AND

## CERTIFICATE OF LIMITED PARTNERSHIP

OF

FILED IN CLERK'S OFFICE  
Salt Lake County Utah

APR -7 1986

WILLIAM D. PETERSON FAMILY PARTNERSHIP H. Dixon Hindley, Clerk 3rd Dist. Court

By Hill Wray  
Deputy Clerk

This Certificate and Agreement of Limited Partnership is entered into by and among William D. Peterson II, Linda C. Peterson, Millie Louise Peterson, Ginny Ann Peterson, Angela Jo Peterson, William D. Peterson III, Margaret Jean Peterson, and David Joseph Peterson (hereinafter called the "Limited Partners").

## ARTICLE I

## FORMATION OF LIMITED PARTNERSHIP

1.01. FORMATION. The General Partners and the Limited Partners hereby form a Limited Partnership (hereinafter sometimes the "Partnership") pursuant to the provisions of the Utah Limited Partnership Act as set forth in Sections 48-2-1 through 48-2-27, inclusive, of the Utah Code Annotated (1953) as amended. The Partnership shall be a limited partnership and shall be solely for the business purposes set forth in Article III hereof. This Agreement shall not create or be deemed to create a partnership between the partners with respect to any activities whatsoever other than activities within the business purposes of the Partnership as specified in said Article III.

1.02. CERTIFICATE OF FORMATION. Upon execution of this Agreement, the General Partners shall execute a Certificate of Limited Partnership in the form and containing the information required by the Utah Uniform Limited Partnership Act. The General Partners shall cause the said Certificate, when properly executed, to be filed with such county clerks as is required by law. The partners or their duly appointed attorneys-in-fact shall promptly execute all certificates and other instruments, make all necessary filings and recordings thereof, and perform all other acts required for the formation and operation of the Partnership as a Limited Partnership under the laws of the State of Utah.

1.03. ASSUMED NAME. Upon execution of this Agreement, the partners shall execute an Application to Transact Business Under an Assumed Name or a Certificate of Assumed and True Name in the form and containing the information required by the laws of the State of Utah in connection with carrying on, conducting, or transacting business under an assumed name. The General Partners shall cause such Application or Certificate when duly executed to be filed in the office of the Secretary of State of the State of Utah.

1.04. DESIGNATION OF GENERAL PARTNERS. William D. Peterson II; /

10<sup>00</sup>-  
784/81  
17144

**Illegal**

**Procedure**

**-Duress-**

**Rob Income**

xpiration of the thirty (30) days option period. If not sold within such period, the right of first refusal provisions of this Section 0.03 shall apply anew to any sale which might be proposed to be made hereafter.

## ARTICLE XI

### INCAPACITY, INSOLVENCY OR DEATH OF GENERAL PARTNERS

57

11.01. INCAPACITY OF INSOLVENCY. If any of the following events shall occur with respect to the General Partners:

(a) The General Partners shall be adjudicated incapacitated, or incompetent by any court of competent jurisdiction; or

(b) The General Partners shall make a general assignment for the benefit of creditors; or

(c) The General Partners shall admit in writing its inability to pay its debts as they mature; or

(d) A petition is filed seeking that the General Partners be adjudicated a bankrupt and such petition shall not be vacated within ninety (90) days; or

(e) The General Partners shall suffer the appointment of a receiver with respect to all or substantially all of its property or interest in the Partnership and such appointment shall not be vacated within ninety (90) days; or

(f) The General Partners shall take any action to sell all or substantially all of its assets;

Then, and in any of such events, the Limited Partners shall have an option to purchase the General Partners' interest in the Partnership in accordance with the provisions of Section 11.02 below. If the Limited Partners timely exercise such option, the Limited Partners will, at the closing specified in Section 11.02 (c), elect, by majority vote, new General Partners. If the Limited Partners do not timely exercise such option, the Partnership shall have the option to dissolved in accordance with the provisions of Article XIII below.

11.02. OPTION TO PURCHASE. Upon the occurrence of any event specified in Section 11.01, the Limited Partners shall have an option to purchase the General Partners' entire interest in the Partnership as follows:

57

(a) Such option may be exercised by the Limited Partners giving written notice of such exercise to the General Partners within sixty (60) days after the occurrence of the event giving rise to such option.

(b) If the Limited Partners timely exercises its



1. Debtor(s) (Last Name First) and address(es)  
4727 Riverside Dr, Murray, UT  
Social Security or  
Emp. Fed. I.D. No. 87-0308966

2. Secured Party(ies) and address(es)  
William D Peterson, PEMCO  
1996 E 4675 S  
SLC Utah 84117

18.2

041060

4. This financing statement covers the following types (or items) of property:

All Tools, equipment, inventory  
receivables, work in process  
Vehicles

6. Gross sales price  
of collateral

\$ \_\_\_\_\_ Sales

\$ \_\_\_\_\_ or use tax paid to  
State of

For Filing Officer (Date, Time, Number,  
and Filing Office)

TAH

The Secured party is X owner owner is not owner a seller or  
purchase money lender of the collateral.

5. Assignee of Security Party and  
Address(es)

This statement is filed without the debtor's signature to perfect a security interest in collateral. (Check ☐ already subject to a security interest in another jurisdiction when it was brought into this state. ☐ which is proceeds of the original collateral described above in which a security interest was perfected:

RECEIVED

Microfilm No.

Check ☒ if covered: ☐ Proceeds of Collateral are also covered. ☐ Products of Collateral are also covered. No. of additional Sheets presented:

3. Maturity date (if any):

Approved by David S. Monson,  
Lt. Governor / Secretary of State, for the State of Utah

By: William D Peterson Pres PEMCO  
Signature(s) of Debtor(s)

By: William D Peterson General Partner  
Signature(s) of Secured Party(ies)

Is there doesn't show with STANDARD FORM - FORM UCC-1. (2) Filing Officer Copy — Numerical  
others because of a deviation of  
Engineering & Manufacturing

This FINANCING STATEMENT is presented to a filing officer for filing pursuant to the Uniform  
Commercial Code.

1. Debtor(s) (Last Name First) and address(es)  
Best American Collateral  
Utah Corp  
4727 Riverside Dr, Murray UT  
Social Security or  
Emp. Fed. I.D. No. 87-0308966

2. Secured Party(ies) and address(es)  
William D Peterson, PEMCO  
4727 Riverside Dr  
Murray Utah

18.1

041059

4. This financing statement covers the following types (or items) of property:

PEMCO 5000 mty Plant, Forklift  
1979 GMC Semi, air comp, furniture  
Inventory, CASE Loader Tractor

6. Gross sales price  
of collateral

\$ 250,000

\$ \_\_\_\_\_ Sales

\$ \_\_\_\_\_ or use tax paid to  
State of

For Filing Officer (Date, Time, Number,  
and Filing Office)

The Secured party is owner is not owner a seller or  
purchase money lender of the collateral.

5. Assignee of Security Party and  
Address(es)

This statement is filed without the debtor's signature to perfect a security interest in collateral. (Check ☒ already subject to a security interest in another jurisdiction when it was brought into this state. ☐ which is proceeds of the original collateral described above in which a security interest was perfected:

RECEIVED

Check ☒ if covered: ☐ Proceeds of Collateral are also covered. ☐ Products of Collateral are also covered. No. of additional Sheets presented:

3. Maturity date (if any):

Approved by David S. Monson,  
Lt. Governor / Secretary of State, for the State of Utah

By: William D Peterson Pres Best Am  
Signature(s) of Debtor(s)

By: William D Peterson Pres PEMCO  
Signature(s) of Secured Party(ies)

STANDARD FORM - FORM UCC-1 (2) Filing Officer Copy — Numerical



PRODUCT ENGINEERING & MANUFACTURING CO.

4727 South Riverside Drive  
Murray, Utah 84107  
(801) 268-2577

18.1.2

W 8 A  
K

owned by W.D. Peterson

This is a general description of the types of machine tools currently used in our shop, and the capabilities of each. It should be noted that the tolerances that can be held on any machine tool are dependent upon certain variables, such as type of material and size of workpiece.

The following are all conventional, non-N.C. engine lathes, and are capable of most turning, boring, facing and threading operations. They will routinely hold diametral tolerances of  $\pm .001$ ", with one exception as noted. Closer tolerances can be held when required.

- 100 (1) CABE 48" swing X 18" bed (rough sizing only)
- 500 (1) SUMMIT 36" swing X 10' bed
- 500 (1) GRAZIANO 24" swing X 8' bed
- 500 (1) GRAZIANO 24" swing X 6' bed
- 1,000 (1) GRAZIANO 16" swing X 6' bed
- 1,000 (1) GRAZIANO 16" swing X 4' bed
- 3,000 (1) GRAZIANO 14" swing X 4' bed

The following two mills are conventional, non-N.C. machines, and are capable of holding location and dimensional tolerances of  $\pm .001$ ".

- 1,000 (1) SIMPLON Horizontal/Vertical Mill, 13" X 61" table
- 1,000 (1) CINCINNATI Vertical Mill, 12" X 53" table
- 1,000 (2) BRIDGEPORT Vertical Mill, 9" X 42" table, with digital readout

The next two mills are equipped with 2-axis numerical control, and will hold locational tolerances of  $\pm .001$ ", with repeatability to the same limits.

- 5,000 (2) BRIDGEPORT Vertical Mill, 9" X 42" table, 2-axis N.C.

The latest addition to our shop is the brand new, 3-axis C.N.C. vertical mill listed below. It is capable of holding and repeating, location and dimensional tolerances of  $\pm .0005$ ".

- 5,000 (1) SUPERMAX Vertical Mill, 9" X 42" table, 3-axis C.N.C.

over

18.2.2

Our drilling machines include:

- (1) OOYA Radial Arm Drill, 48" arm X 3" dia maximum drill size
- (6) ROCKWELL Quill-type Drill Press, 15" reach X 1/2" drill size  
(With suitable tooling, these drills are adaptable to high-production drilling or sequencing operations)

Our inspection tool standards are traceable to the National Bureau of Standards, and are certified for nuclear inspection. Our quality control system meets MIL-1-45208. In house inspection equipment and instruments include:

- (1) MOJAVE Surface Block, 3' X 6' top
- (1) Micrometer Set, 0" to 24" O.D.  
1" to 12" I D.

Varying quantities of calipers, thread standards, dial indicators, bore gages, standard blocks, etc.

Our fabrication tools include:

- Shears: 3/8" X 10' - CINCINNATI
- Press Brakes 400 Ton X 14' - STEELWELD  
8' to 3' - CHICAGO
- Burning: Pattern Burner, Track Burner, Plasma Cutter, Miscellaneous Burners
- Saws: Automatic 12" X 15" - JOHNSON  
11" X 16" - WELLS  
16" - DeWALT  
14" - POWERMATIC  
9" - ROLL-IN  
7" X 9" - JET
- Iron Worker: 50 Ton METAL MUNCHER
- Presses: 80 Ton Hydraulic (three each)
- Punches: 40 Ton METAL MUNCHER  
20 Ton WHITNEY
- Welders: TIC Hellarc - MILLER (two each)  
MIC 300 to 600 AMP - Short Arc (9 each)  
Stick Welders 400 AMP - MILLER, Etc. (twelve each) 6  
Stud Welders - OMARK
- Cranes: 5-Ton Bridge Cranes (five each)
- Misc.: Magnetic Drills, Painting Facilities, 8 Ton Mobile Crane, 12 Ton Mobile Crane, Kenworth Tractor-Trailer
- other

We are pleased to be able to present this information to you and would appreciate the opportunity to answer any other questions you may have.

646 1323

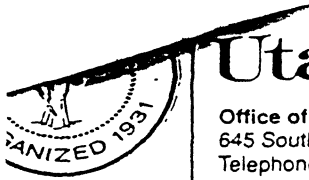
RECEIVED

**Conflictive**

**Attorney**

**-Duress-**

**Not Knowing**



# Utah State Bar

Office of Bar Counsel  
645 South 200 East • Salt Lake City, Utah 84111-3834  
Telephone: (801) 531-9110 • FAX: (801) 531-0660

61

hen A. Trost  
unsel  
Marie Sutliff  
the Bar Counsel  
h Adams  
orney

January 11, 1991

William D. Peterson  
c/o Paul E. Peterson  
2219 Panorama Way  
Holladay, Utah 84117

RE: Complaint against John P. Sampson

Dear Mr. Peterson:

On January 3, 1991, the Screening Panel of the Ethics and Discipline Committee of the Utah State Bar voted to admonish Mr. Sampson for his failure to recognize the potential conflict of interest in representing MAC Industries, Mr. Mouritsen, Mr. McSweeney, and you in various matters. The Screening Panel specifically found that Mr. Sampson had no intent to engage in an unethical conflict of interest, no intent to injure you, and that it is likely that Mr. Sampson's conduct did not cause you damage.

*Much Damage  
Cost - Marriage, Family  
Home & Business*

You should be aware that an admonition is private discipline, and we appreciate your discretion in discussing this matter. You should also be aware that the fact that Mr. Sampson has been admonished cannot be used in any other forum absent Mr. Sampson's consent.

We appreciate your bringing this matter to our attention so that it could be appropriately reviewed and resolved. Please do not hesitate to contact me should you have any questions.

Very truly yours,

*Toni Marie Sutliff*

Toni Marie Sutliff  
Associate Bar Counsel

TMS/gmo

cc: John P. Sampson

of meeting which was never held  
W O Peterson would never agree with this *Apur*

COMBINED SPECIAL MEETING OF  
THE SHAREHOLDERS AND DIRECTORS OF  
RIVERSIDE MACHINE & FABRICATION COMPANY

20.1

A combined special meeting of the shareholders and directors of Riverside Machine & Fabrication Company was held on June 2, 1986, at the offices of the corporation, 4727 Riverside Drive, Murray, Utah.

The purpose of the meeting was to elect new directors and the directors to elect officers. All parties waived notice of the special combined meeting. All shareholders and their respective interests and rights to vote the same were present.

William D. Peterson acted as chairman and Linda C Peterson acted as secretary.

The first item of business before the Board was the unanimous consent of all Board members to appoint John J. McSweeney, Sr., John J. McSweeney, and Robert G. Mouritsen to the Board. Immediately thereafter W. Don Peterson, Linda C. Peterson, Millie Lou Peterson, James Robert Limb, William D. A. Breeman and Paul E. Peterson tendered their withdrawals from the Board and the same were accepted.

The meeting then proceeded to the election of officers. Upon nominations duly made and seconded, the following were elected officers of the corporation, to serve for the ensuing year and until their successors are elected and qualify:

President:	John J. McSweeney
Vice-President:	John J. McSweeney, Sr.
Secretary/Treasurer:	Robert G. Mouritsen

**Bogus Minutes**

**-Duress-**

**Fraud**

20.1.2

The officers then acknowledged their willingness to assume the responsibilities of their various positions and each officer expressed appreciation to the prior board members and officers.

It was determined by the new board and officers that the corporation had not as yet formally issued its shares to the shareholders. Upon motion of the President, John J. McSweeney, it was moved and seconded by all shareholders and directors that 1,000 shares be issued to the William D. Peterson Family Partnership, 1000 shares to John J. McSweeney and 1,000 shares for Robert G. Mouritsen. **WHAT**

The board members and shareholders acknowledged that they have received all consideration from Robert G. Mouritsen and John J. McSweeney for the issuance of their shares, and that the William D. Peterson Family Partnership, in return for its shares, will receive formal transfer of assets according to an Assignment that will be prepared by Attorney John P. Sampson. The corporation agrees to assume the underlying indebtedness of all said assets transferred and to the best of the present board's knowledge and information, agreeable with the William D. Peterson Family Partnership that such value of assets is near and reasonable to the indebtedness. John J. McSweeney's and Robert G. Mouritsen's shares are issued in exchange for expenses actually incurred by them, not now being reimbursed by the corporation. Therefore, upon motion duly made and unanimously agreed upon among all shareholders the President, John J.

*fabricated lie so that defendants  
could steal from Petersons*

7007051337A



McSweeney and Secretary/Treasurer are empowered to issue corporate shares as indicated above.

There being no further business to come before the combined meeting, the foregoing resolutions were ratified and agreed to by all parties as evidenced by their signatures hereto attached. These signatures further indicate a waiver and consent regarding all notices required under the by-laws. Thereupon the meeting was adjourned.

*Never Held*

\_\_\_\_\_  
ROBERT G. MOURITSEN, Secretary/  
Treasurer and Director

\_\_\_\_\_  
JOHN J. MCSWEENEY, President  
and Director

\_\_\_\_\_  
JOHN J. MCSWEENEY, SR., Vice  
President and Director

*No William D Peterson*

\_\_\_\_\_  
LINDA C. PETERSON, former officer  
and director

\_\_\_\_\_  
W. DON PETERSON, former officer  
and director

\_\_\_\_\_  
MILLIE LOU PETERSON, former  
Director

\_\_\_\_\_  
JAMES ROBERT LIMB, former  
Director

\_\_\_\_\_  
WILLIAM D. A. BREEMAN, former  
Director.

\_\_\_\_\_  
PAUL E. PETERSON, former  
Director

*Who wrote this  
How did this  
originate*

**Illegal  
Procedure  
-Duress-  
Coercion**

Mail tax notice to Riverside Machine & Fabrication Company Address 4727 S. Riverside Drive Murray, Utah 84107

20.2

# WARRANTY DEED

LINDA C. PETERSON and WILLIAM D. PETERSON as individuals and as General Partners of William D. Peterson Family Partnership grantor of Murray, County of Salt Lake, State of Utah, hereby CONVEY and WARRANT to RIVERSIDE MACHINE & FABRICATION COMPANY aka Mack Industries

*Who wrote this?  
Where did this come from*

of Murray, Utah  
Ten Dollars and other valuable consideration  
the following described tract of land in Salt Lake State of Utah:

*No*  
grantee  
for the sum of  
DOLLARS  
County,

Beginning at a point that is due North 639.69 feet and due West 1375.98 feet from the South quarter corner of Section 1, Township 2 South, Range 1 West, Salt Lake Base and Meridian; and running thence South 13 Degrees 14 Minutes West 167.47 feet; thence South 86 Degrees 37 Minutes East 189.15 feet; thence North 0 Degrees 06 Minutes 13 Seconds East 165.27 feet; thence North 86 Degrees 37 Minutes West 151.06 feet along the existing fence line to the point of Beginning.

Beginning at a point on the Easterly line of Riverside Drive at the Southwest corner of Peterson property, said point being due North 476.668 feet and due West 1414.321 feet from the South quarter corner of Section 1, Township 2 South, Range 1 West, Salt Lake Base and Meridian; said point of beginning also being due North 616.994 feet and due West 24.15 feet from a Monument in 4800 South Street (Monument is North 75 Degrees 51 Minutes East 151.54 feet from the centerline intersection of Riverside Drive and 4800 South Street); thence along said Easterly line of Riverside Drive South 13 Degrees 14 Minutes West 176.288 feet; thence South 86 Degrees 37 Minutes East 229.230 feet to a point opposite the Southwest corner of a metal building and 1.0 feet West of a chain link fence; thence parallel (SEE CONTINUATION ON ATTACHED SHEET)

WITNESS, the hand of said grantor this \_\_\_\_\_ day of June, A.D. 19 86

Signed in the Presence of

*signatures*  
Linda C. Peterson as an individual  
and as a General Partner

William D. Peterson as an individual  
and as a General Partner

STATE OF UTAH

County of Weber } ss.

On the 2 day of June, A.D. 19 86  
personally appeared before me LINDA C. PETERSON and WILLIAM D. PETERSON  
aka LINDA CALLISTER PETERSON  
the signers of the within instrument, who duly acknowledged to me that they executed the same.

*[Signature]*  
John F. Sampson  
Notary Public.

My commission expires 7/29/87

Residing in Ogden, Utah

*But Notarized by Sampson*

CONTINUATION OF LEGAL DESCRIPTION OF DEED FROM LINDA C. PETERSON and WILLIAM D. PETERSON, to RIVERSIDE MACHINE & FABRICATION COMPANY:

*3*

65

with said fence North 0 Degrees 02 Minutes 19 Second East 173.986 feet to the Southerly line of said Peterson property; thence North

William D. Peterson refused to sign this document transferring properties between entities of Peterson's. After Peterson's refusal, apparently Mouritsen, McSweeney and attorney Sampson fraudulently fabricated another document and filed it.

65

*1117 DRB*

*700 905 133 PR*

Recorded at Request of Riverside Machine & Fabrication Companyat M. Fee Paid \$by Dep. Book Page Ref.:Mail tax notice to Riverside Machine & Address 4727 S. Riverside Drive  
Fabrication Company Murray, Utah 84107

4306785

**WARRANTY DEED**

LINDA C. PETERSON and WILLIAM D. PETERSON as individuals and as  
General Partners of William D. Peterson Family Partnership grantor  
of Murray, County of Salt Lake, State of Utah, hereby  
CONVEY and WARRANT to RIVERSIDE MACHINE & FABRICATION COMPANY  
aka Mack Industries

*Nat Valid*

of Murray, Utah  
Ten Dollars and other valuable consideration

grantee  
for the sum of  
DOLLARS,

the following described tract of land in Salt Lake  
State of Utah:

County,

Beginning at a point that is due North 639.69 feet and due West 1375.98 feet from the South quarter corner of Section 1, Township 2 South, Range 1 West, Salt Lake Base and Meridian; and running thence South 13 Degrees 14 Minutes West 167.47 feet; thence South 86 Degrees 37 Minutes East 189.15 feet; thence North 0 Degrees 06 Minutes 13 Seconds East 165.27 feet; thence North 86 Degrees 37 Minutes West 151.06 feet along the existing fence line to the point of Beginning.

Beginning at a point on the Easterly line of Riverside Drive at the Southwest corner of Peterson property, said point being due North 476.668 feet and due West 1414.321 feet from the South quarter corner of Section 1, Township 2 South, Range 1 West, Salt Lake Base and Meridian; said point of beginning also being due North 616.994 feet and due West 24.15 feet from a Monument in 4800 South Street (Monument is North 75 Degrees 51 Minutes East 151.54 feet from the centerline intersection of Riverside Drive and 4800 South Street); thence along said Easterly line of Riverside Drive South 13 Degrees 14 Minutes West 176.288 feet; thence South 86 Degrees 37 Minutes East 229.230 feet to a point opposite the Southwest corner of a metal building and 1.0 feet West of a chain link fence; thence parallel

(SEE CONTINUATION ON ATTACHED SHEET)

WITNESS, the hand of said grantor, this 2nd day of  
June, A. D. 19 86

day of

Signed in the Presence of

*[Signature]*  
*[Signature]*

*Linda C. Peterson*

Linda C. Peterson as an individual and as a General Partner

*William D. Peterson*

William D. Peterson as an individual and as a General Partner

STATE OF UTAH,

County of Wasatch

On the 2 day of June, A. D. 19 86  
personally appeared before me LINDA C. PETERSON and WILLIAM D. PETERSON  
aka LINDA CALLISTER PETERSON

the signer s of the within instrument, who duly acknowledged to me that s executed the same.

John F. Sampson

Residing in OGDEN, UTAHMy commission expires 7/29/87

mid June 1986 when confronted with the  
ument, Wm Peterson bluntly refused to  
n it. This document is apparently a  
dulent fabrication of the one Peterson  
used to sign.

*Illegal Transaction**False Certificate Not Valid*

BOOK 5811 PAGE 647

BK 6222 Pg 0794

STIPULATION AND MUTUAL RELEASE

WHEREAS, PEMCO (Produce Engineering and Manufacturing Company), a Utah Corporation, and William D. Peterson as "Plaintiffs" have heretofore engaged in litigation with The Argee Corporation, an Iowa corporation as "Defendant" in Civil Action No. 85-C-1000 in the United State District Court for the District of Utah, Central Division;

WHEREAS, said litigation and the underlying controversies therein were resolved by a stipulated settlement of, among other things, payment of \$92,000.00 by Defendant to Plaintiff PEMCO and transfer by Defendant to Plaintiff PEMCO certain equipment and personal property;

WHEREAS, prior to the actual payment and transfer as described above, Defendant was- put on Notice that (1) Mac Industries, Inc., claimed the interest of PEMCO by Assignment for consideration, and (2) the United States of America, Internal Revenue Service, claimed a tax liability against PEMCO which attached to the proposed settlement payment and transfer by the Notices of Levy dated 8-19-85 and 12-22-86, which levy was disputed and contested by PEMCO;

WHEREAS, Defendant deposited the \$92,000.00 payment with the United States District Court for the District of Utah,

Central Division, maintained possession of the equipment and personal property, and filed a Complaint in Interpleader seeking judicial determination of the proper payees of the \$92,000.00 and transferees of the subject equipment and personal property;

AND WHEREAS, the Parties have stipulated and agreed to an equitable distribution of said funds and personal properties and desire to hereby memorialize their agreement,

IT IS HEREBY STIPULATED AND AGREED AS FOLLOWS:

1. The funds on deposit shall be distributed and disbursed as follows:

(a) To United States of America, Internal Revenue Service: \$63,190.15;

(b) To Marsden, Orton & Cahoon (for legal fees incurred in the representation of PEMCO and William D. Peterson in these proceedings): \$5,266.58;

(c) To Callister, Duncan & Nebeker (for legal fees incurred in the representation of PEMCO, William D. Peterson, and Mac Industries, Inc., in these proceedings): \$9,828.42.

(d) To Mac Industries, Inc.: all remaining funds deposited with the court.

*no rights, no claim, no involvement*

2. As consideration for and concurrent with the above-described disbursement to United States of America, Internal Revenue Service, the Internal Revenue Service shall execute a Release of Levy (Form 668-D) in connection with both Notices of Levy described above. The Internal Revenue Service hereby releases and absolves the Argee Corporation from any and all further liability relating to PEMCO resulting from those Notices of levy described above, or any other Notice of Levy or claim heretofore received by the Argee Corporation against property of PEMCO.

3. As a further consideration for the above-described disbursement to United States of America, Internal Revenue Service, the Internal Revenue Service hereby releases and absolves PEMCO, its officers and agents, William D. Peterson, and Mac Industries, Inc., from any and all liability for taxes, interest and penalties relating to or resulting from assessments made against Product Engineering and Manufacturing Co., Identification No. 87-0308966, for federal withholding taxes due for the periods of ending June 30, 1984; September 30, 1984; December 31, 1984; and September 30, 1985.

4. Disbursement of the \$63,190.15 to the Internal Service, and the stipulation of the undersigned parties for the payment of same, does not constitute an admission of the

accuracy or validity of the tax, interest and penalties assessed, but is a compromise settlement negotiated by the parties in good faith in an effort to reach an equitable conclusion to the controversy.

5. Each party shall execute the Stipulation and Motion for Disbursement of Funds and Dismissal of Complaint in Interpleader, a copy of which is attached hereto as Exhibit "A", authorizing the disbursements as above described and thereafter, dismissal of the Complaint in Interpleader.

DATED this 27 day of <sup>April</sup>~~March~~, 1987.

CALLISTER, DUNCAN & NEBEKER

By: 

T. Richard Davis  
Attorneys for Plaintiffs PEMCO  
(Product Engineering and  
Manufacturing Company) and William  
D. Peterson

SUITTER AXLAND ARMSTRONG & HANSON

By: 

Frances J. Carney  
Attorneys for Defendant and  
Interpleading Plaintiff, The Argee  
Corporation



21.1.5

*interfered  
conflictive  
interest*

SAMPSON & LYON

By: 

John P. Sampson

Attorneys for Interpleader

Defendant, Mac Industries, Inc.

UNITED STATES OF AMERICA

By: 

Attorney for Internal Revenue  
Service

*Mac Industries had no  
involvement or rights  
in this matter*

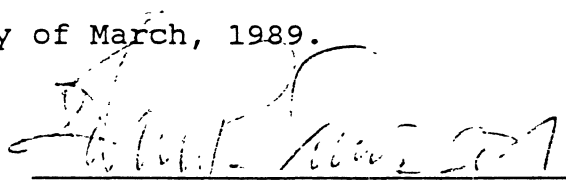
CDN/1801D

## Assignment

MAC Industries, Inc. assigns without recourse all its right, title and interest in and under the Orders and Judgments against Best American Cellulose, Inc. and William D. Peterson (but not Russell D. Callister) dated July 30 and August 18, 1986 to William D. Peterson.

This Assignment is conducted on "as is, where is" basis without any representations or warranties, written or oral, express or implied, of any kind (including, but not limited to, those representations and warranties pertaining to legality, amount of outstanding balance, enforceability, or collectability).

DATED this 28th day of March, 1989.

  
 JOHN P. SAMPSON  
 Attorney for MAC Industries, Inc.

### CERTIFICATE OF MAILING

I hereby certify that on this 28th day of March, 1989, I mailed a true and correct copy of the foregoing Assignment and Notice of Assignment of Judgments Against Best American Cellulose, Inc. and William D. Peterson, postage prepaid, to

William D. Peterson  
 1444 Murphy's Lane  
 Salt Lake City, UT 84106

16. THE PARTIES WAIVE THEIR RESPECTIVE RIGHTS TO DEMAND A JURY TRIAL IN THE EVENT OF ANY LITIGATION PERTAINING TO THIS AGREEMENT OR THE ENFORCEMENT OF ANY OBLIGATION, RIGHT OR REMEDY DESCRIBED HEREIN.

LEAF WAREHOUSE ASSOCIATES, LTD.

BY: *Paul B. Shockley*

TITLE: *General Partner*

MAC INDUSTRIES, INC.

BY: *John P. Sampson*

TITLE: *Attorney in Fact*

STATE OF COLORADO )

) ss:

CITY AND COUNTY OF DENVER )

Subscribed and sworn to before me by Paul B. Shockley, General Partner of Leaf Warehouse Associates, Ltd. on the 7th day of March 1988.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission expires:

*Marilyn Johnson*  
Notary Public

STATE OF *Utah* )

) ss:

COUNTY OF *Wasatch* )

Subscribed and sworn to before me by *John P. Sampson* *Attorney in Fact* of MAC Industries, Inc. on the 7 day of *March* 1988.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission expires:

*11/21/88*

*Lee V. Mathis*  
Notary Public

10213  
A-ASSIGN

the event of any litigation pertaining to this Agreement or the enforcement of any obligation, right or remedy described herein.

13. The prevailing party will be entitled to recover its attorneys' fees, expenses and costs (incurred before trial, at trial and on appeal) in the event of any litigation pertaining to this Agreement or the enforcement of any obligation, right or remedy described herein.

14. Wherever the context requires, the singular form of any word will include the plural, the neuter form of any word will include the masculine or feminine forms and vice versa.

15. This Agreement represents the complete and integrated understanding between the parties pertaining to the subject matter hereof. All prior and contemporaneous agreements, written or oral, express or implied, are of no further force and effect to the extent inconsistent herewith.

16. THE PARTIES WAIVE THEIR RESPECTIVE RIGHTS TO DEMAND A JURY TRIAL IN THE EVENT OF ANY LITIGATION PERTAINING TO THIS AGREEMENT OR THE ENFORCEMENT OF ANY OBLIGATION, RIGHT OR REMEDY DESCRIBED HEREIN.

LEAF WAREHOUSE ASSOCIATES, LTD.

BY: Paul B. Shockley

TITLE: General Partner

MAC INDUSTRIES, INC.

BY: John McSwain

TITLE: President

STATE OF COLORADO )

) ss:

CITY AND COUNTY OF DENVER )

Subscribed and sworn to before me by Paul B. Shockley, General Partner of Leaf Warehouse Associates, Ltd., on the 5th day of April 1988.

WITNESS MY HAND AND OFFICIAL SEAL.

My Commission expires: 1-12-92

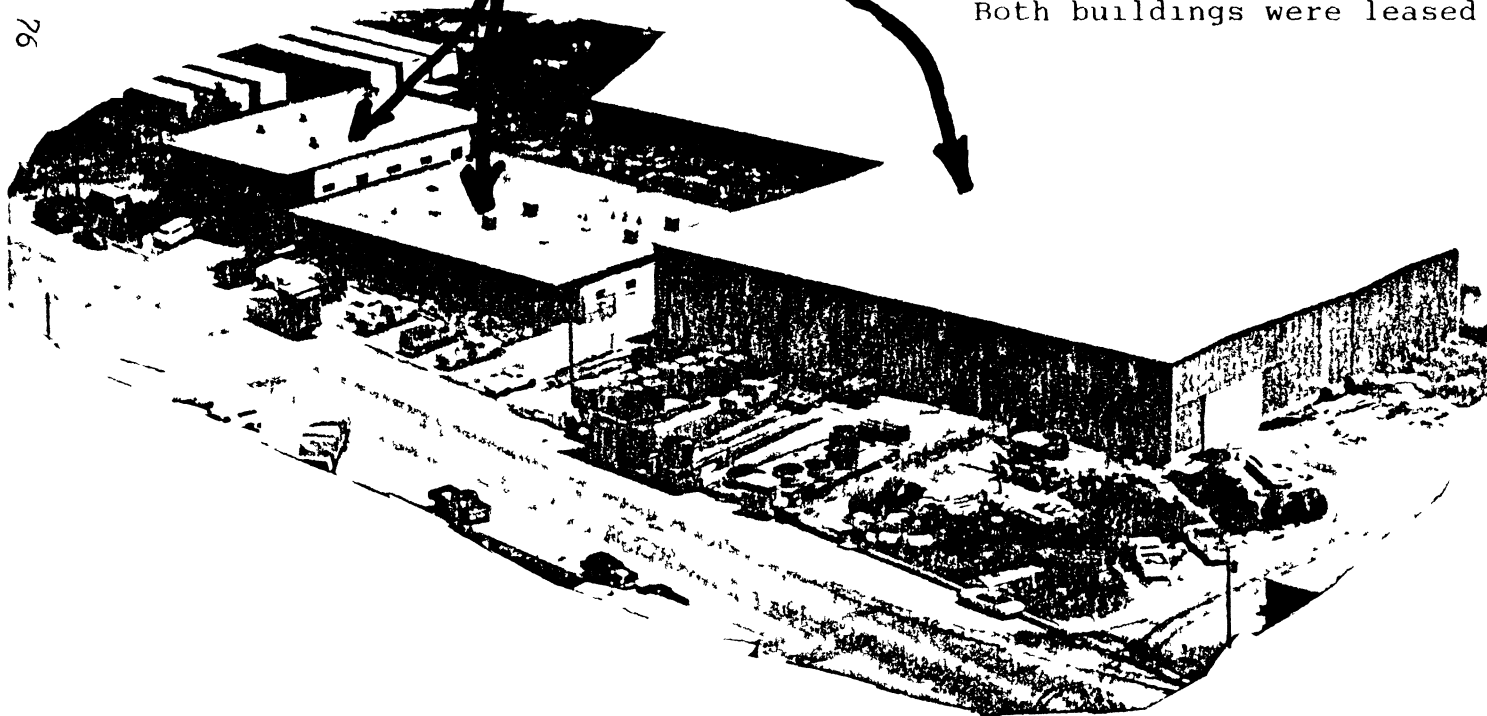
Marilyn Johnson  
Notary Public

No rights, conflictive

The 9,000 square foot engineering office and machine shop was built in the early 1970s by Wm Peterson, Mr. Peterson purchased the bare ground from Mr. Hal Willie of Crager Wire & Iron.

In the mid 1970s, Mr. Peterson purchased additional ground from Mr. Willie and built upon it an 8,000 square foot fabrication shop. Shortly after the building was expanded by Peterson to 21,000 sq ft.

Both buildings were leased to PEMCO.



## PARTIAL LIST OF CLIENTS

### Contractors.

Ford Bacon & Davis  
Jeffrey Dresser  
Lamb Engineering & Constr  
Arthur G. McKee  
John B. Pyke  
Stevens Adamson

### Construction Co's:

Gibbons & Reed  
Goble Sampson  
John C. Grimberg  
S. J. Groves  
Peter Kiewit  
McNally Mtn. States Steel  
J. R. Simplot  
Vicon Construction

### Nuclear:

Catalytic Inc.  
E-Systems Inc.

### Coal Research:

Carnegie-Mellon Institute  
Colorado State University  
Saskatchewan Power & Light  
University of Jordan  
University of Montana  
University of Utah  
United States Dept. of Energy

### Research & Special Projects

Hercules  
Litton  
Sperry Univac  
Utah Research & Development

### Mining Industry

Allied Chemicals  
American Coal  
American Oil  
The Anaconda Company  
Brush-Wellman  
CMC Mining  
Eimco Corporation  
Empire Energy  
FMC Corporation  
Kaiser Steel  
Kennecott Copper Corp.  
Morton Salt  
N. L. Industries  
Rio Algom  
Savage Brothers  
J. R. Simplot  
Stauffer Chemicals  
Southern Utah Fuel  
(Coastal States Energy)  
Utah AM  
Utah Power & Light  
Valley Camp Coal  
Western States Minerals  
(Dog Valley)

22.1.2



**President—William D. Peterson** is a registered professional engineer. He received his B.S. from the University of Utah in 1959, his M.S. in 1967 and his P.E. in 1964. His engineering design experience began with Sperry Univac from 1959 to 1966 where he was Senior Project Engineer cognizant for the design of tooling and ground support equipment for the Sargent Missile Program. He later worked for several other companies in similar design assignments. In 1970 he established his own Engineering Consulting Firm, Wm. D. Peterson and Associates. The firm is known internationally for its developments and products associated with energy research. Currently through PEMCO, Wm. D. Peterson and Associates designs and manufactures coal liquifaction components and systems for research all over the world.



Aerial view of PEMCO fabrication and machine shops.

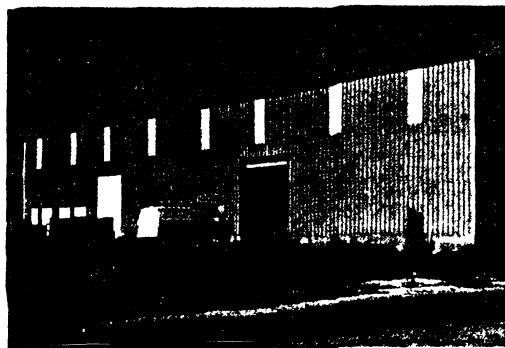


PRODUCT ENGINEERING AND MANUFACTURING CO.

4727 SOUTH RIVERSIDE DRIVE MURRAY, UTAH 84107  
PHONE 801-268-2577

Versatility, Flexibility, and Engineering 'know-how' all add up to an unbeatable combination, whatever your job requirements may be.

Our staff of engineers and professional people stand ready to supply a complete package of sales design manufacturing installation supervision and in-field service. We look forward to being of service to you.



20,800 Sq. Ft. Fabrication Shop

*expanded from 8,000*



Engineering Department

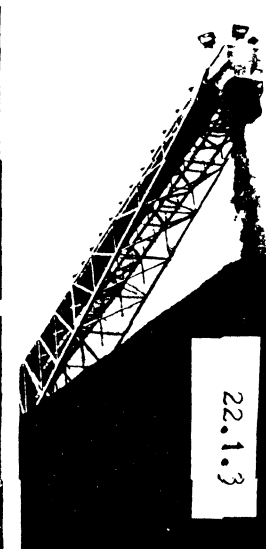
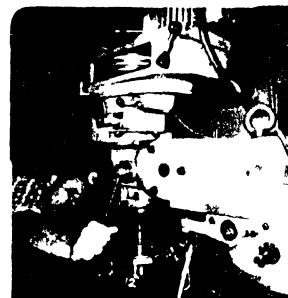


9000 Sq. Ft. Administration Building And Machine Shop



PRODUCT ENGINEERING AND MANUFACTURING CO  
4727 SOUTH RIVERSIDE DRIVE MURRAY UTAH 84107  
PHONE 801 268 2577

Litho in U.S.A.

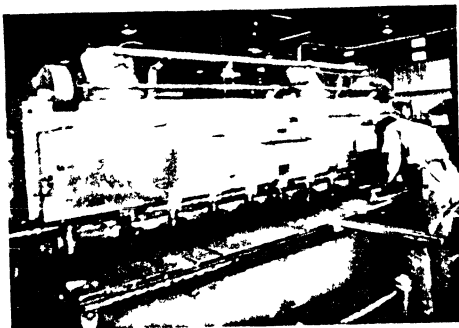


# Complete fabrication and machining facilities, backed up with professional engineering design and supervision.

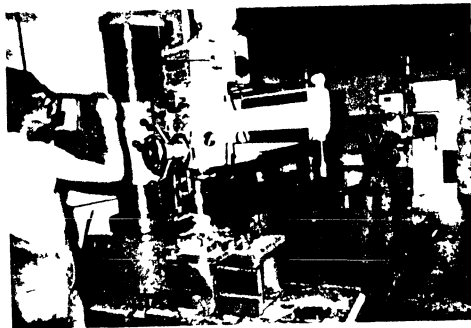
PEMCO shop personnel are highly skilled individuals, with many years' experience in their respective fields...



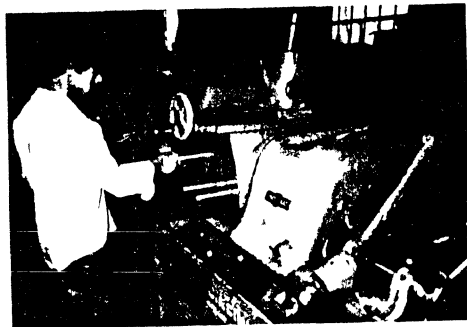
400-Ton x 14' Press Brake



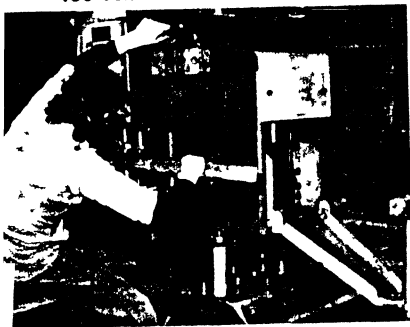
10' x 3/4" Shear



Radial Arm Drills



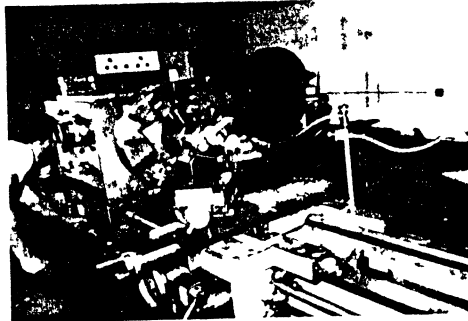
Centerless Grinding



Iron Worker



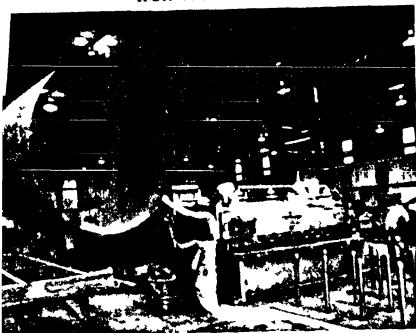
TIG, MIG, Wire-Feeder And Stick Welders



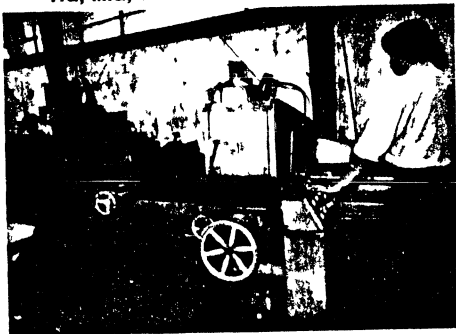
36" swing x 10' Lathe



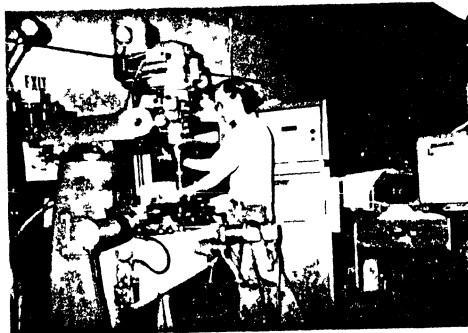
Quality Control Department



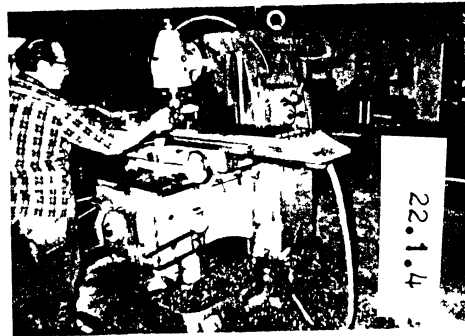
Four 5-Ton Bridge Cranes



Automatic Sawing



NC Milling Machine



#3 Vertical Mill



# Overland And Underground Wire Rope Supported Systems

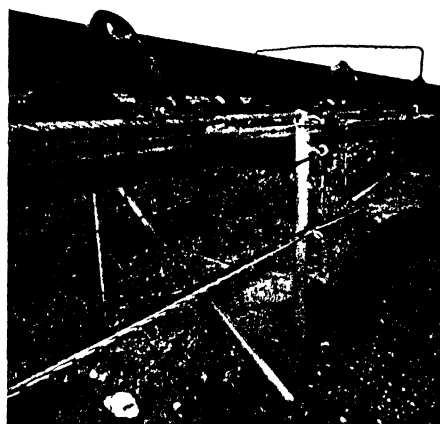


PEMCO Shuttle Conveyor Northwest Of Salt Lake City, Utah, The Terminus Of A 13 Mile Overland System

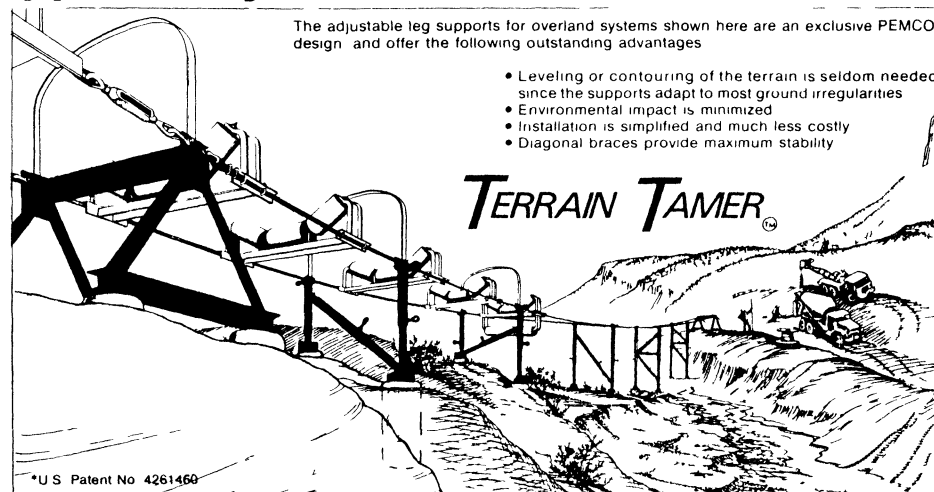
## ADVANTAGES

The escalating cost of fuel has made long haul overland conveyor systems more and more attractive to operators. In the past might have opted for road or rail haulage. In past years, properly designed overland systems have been very competitive with truck and rail transport. Today's thought is being given to overland systems of thirty or more in length. While this may seem incredible for the following factors. Belt conveyors may be operated around the clock regardless of weather or the calendar without time wasting empty return trips or delays for loading or unloading. Long distance overland systems will traverse terrain and travel routes that are practically or financially impossible for most other transportation methods. They can climb or descend grades up to twelve as steep as most rail or road beds. They can span lakes or canyons on relatively light support structures and pass through much smaller tunnels than those required for vehicle traffic. The whole system can be enclosed for weather operation.

These factors are secondary to the sheer economics of costs versus cost per kilowatt hour of electric power, maintenance and power costs (ton per ton) are far below belt haulage than for any other currently feasible method.



Typical overland system, showing PEMCO adjustable leg support stands



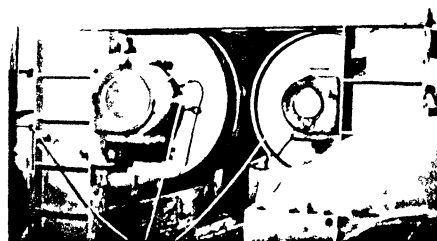
The underground mine conveyor is a vital link between the working face and above ground storage or preparation facilities. While channel frames placed end to end have been used successfully as mine conveyor supports, the wire rope suspended system has gained wide acceptance. Wire rope conveyors are favored for both mine and overland systems for the same reasons: versatility, cost reductions in site preparation, elimination of heavy support structures and ease of installation.



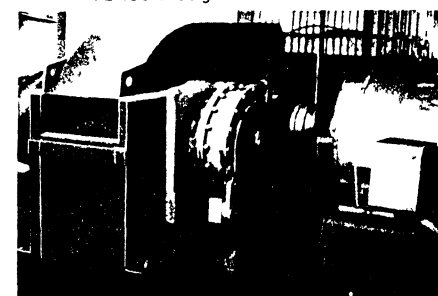
Part Of The 7000-Foot-Long Wire Rope Conveyor System Designed And Built By PEMCO For A Coal Mine Near Price, Utah



PEMCO Underground Reclaim Feeder

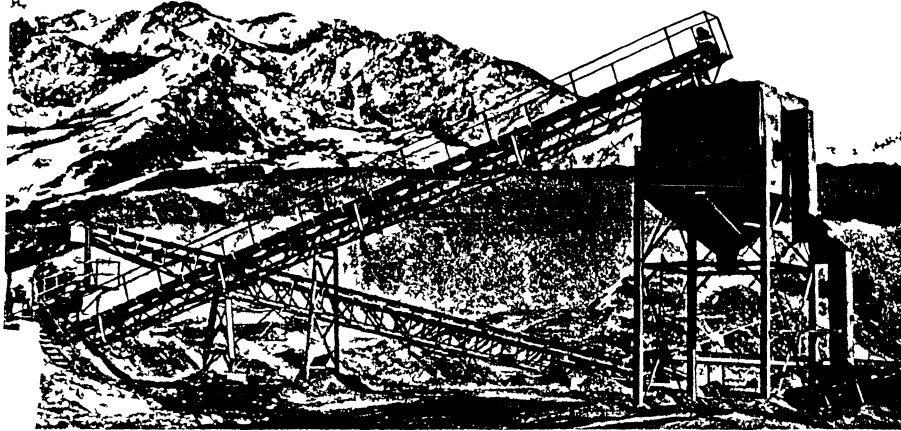


Head Section Drive Rolls



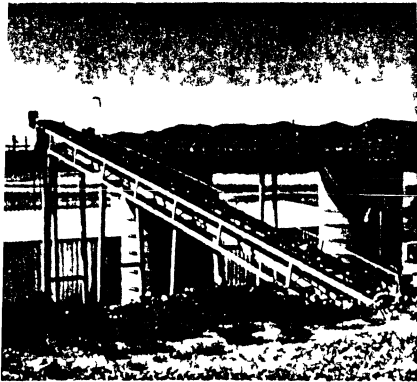
Partial View Of 900 Horsepower 3 Motor Drive At The Price Mine

# Standard Modular Stationary Conveyors

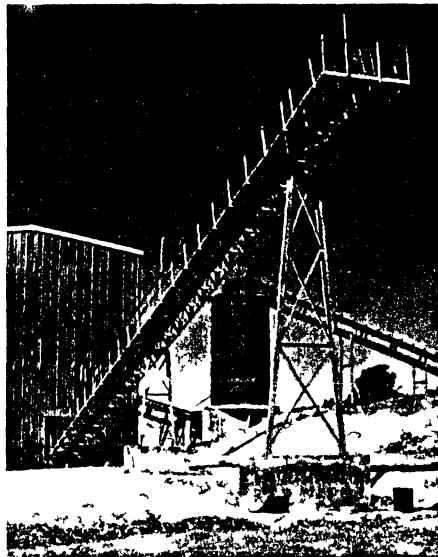


Standardized Truss Frame Stationary Conveyors

Standardized modular sectional belt conveyors are made of pre-designed structures and pre-selected mechanical components. This standardization saves time and costs and makes a wide range of handling equipment readily available. Standard belt widths offered are 24", 30", 42" and 48". Drive equipment is available up to 50 H.P. Standard truss or channel frames are designed to AISC standards for a 90 mph wind and for spans up to 50 feet. Sorting bents, chutes and other accessories are also readily available.



Modular Channel Frame Conveyors

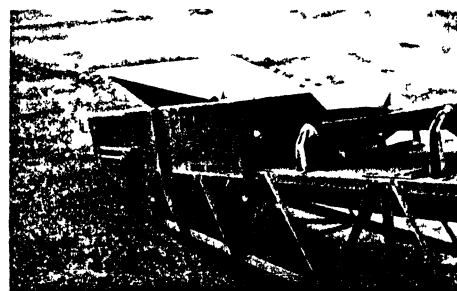
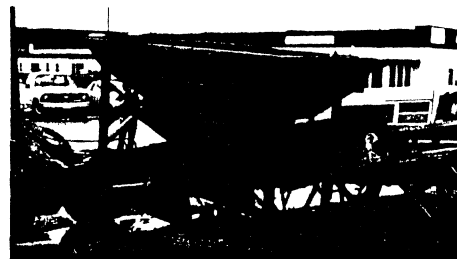
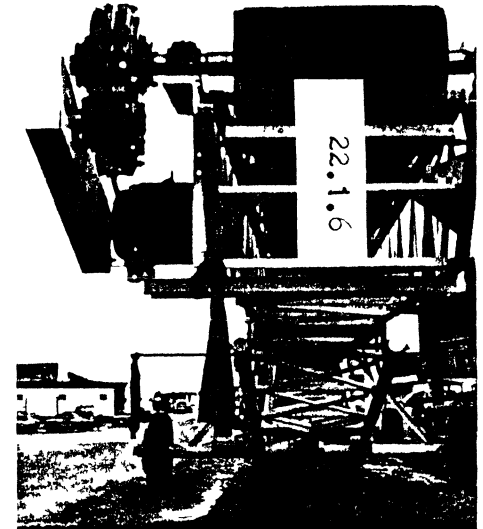


General Purpose Support Structures, Chutes And Hoppers

# Terminal Equipment

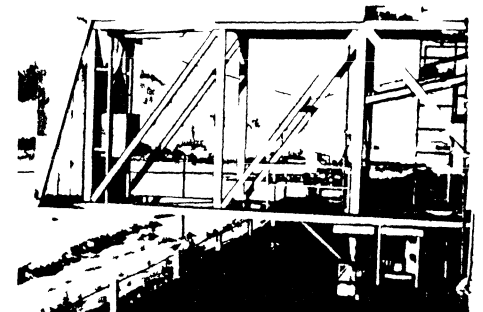
## HEAD SECTIONS

- All drives are pre-assembled, aligned and adjusted at the factory to save time and trouble during installation.
- Torque arm shaft mounted gear reducers are used in most electrically powered drives. Integral sprag type backstops are standard.
- Heavy duty ball or roller bearings are used depending upon service requirements.
- Crowned drive pulleys with split taper bushings are standard. Rubber lagging is supplied when required.
- Choice of truss or channel frames with heavy duty all welded construction.
- Drives supplied with drive covers.
- Available combustion engine drives.



## TAIL SECTIONS

- Pre-assembled and checked at the factory.
- Heavy duty all welded steel truss or channel frames.
- Screw type gravity or hydraulic takeups.
- Heavy duty loading hopper, standard or radial with skirt lining. Closely spaced support idlers, impact idlers when required.
- Crowned pulley with split taper hubs.
- Nip Guards.



Automatic Gravity Take up With Attaching Cables

# Specialists In Bulk Materials Handling Systems

PEMCO has long experience in this type of installation, with design, fabrication and erection capability to do the job from start to finish.

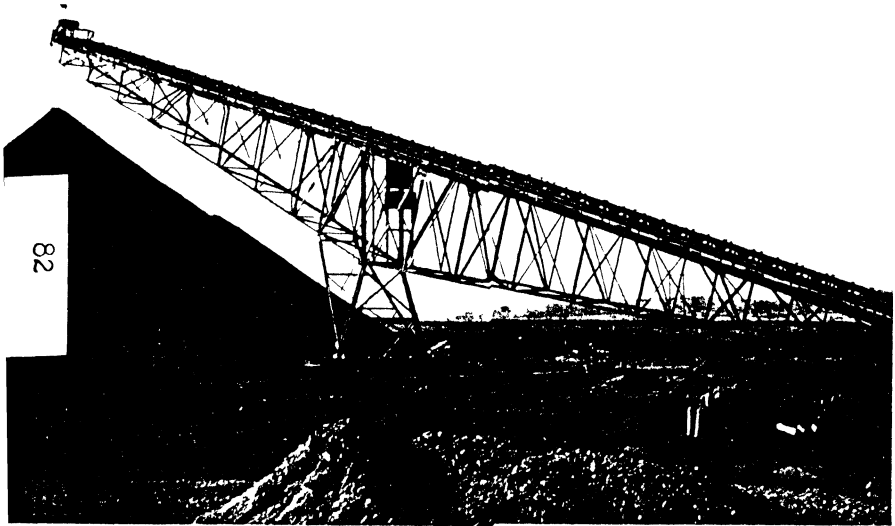


PEMCO Shuttle Conveyor North of Salt Lake City, Utah, the terminus of a 13 mile overland system

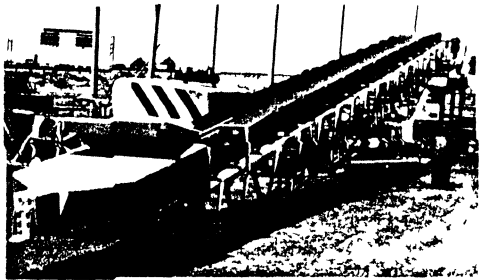


PEMCO 105' Linear Stacker With Built-in Tripper, Near Grand Junction, Colorado

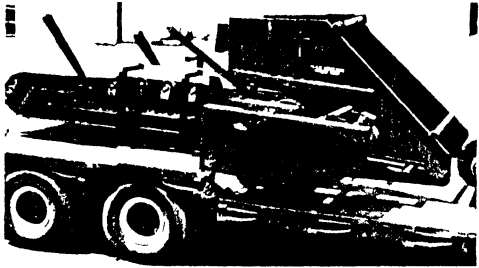
From economical standard modular sections to special-purpose custom designs, PEMCO can furnish a conveyor to suit your needs.



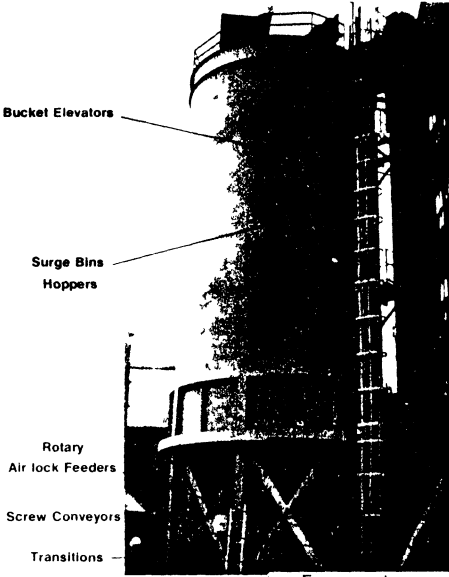
PEMCO 200' Radial Stacker Near Wellington, Utah



Collapsible, Towable Stackers



Feeders For Every Application



Bucket Elevators

Surge Bins  
Hoppers

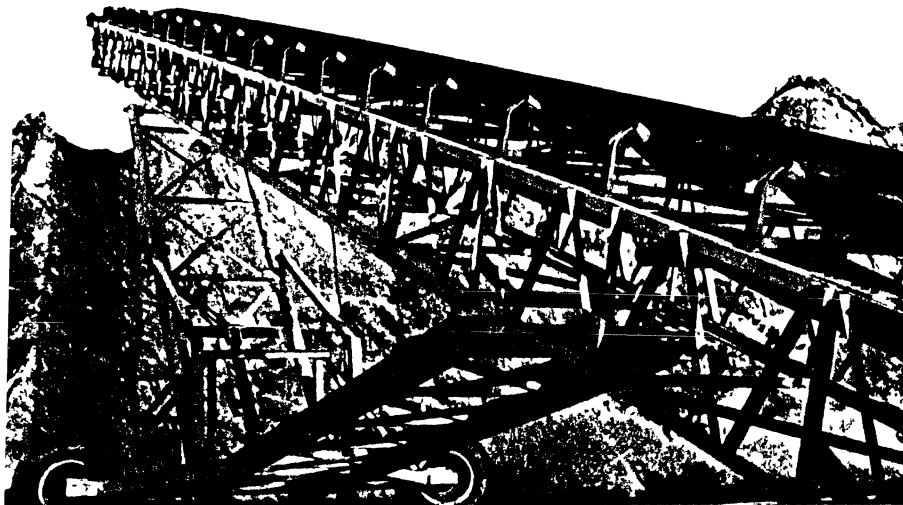
Rotary  
Air lock Feeders

Screw Conveyors

Transitions

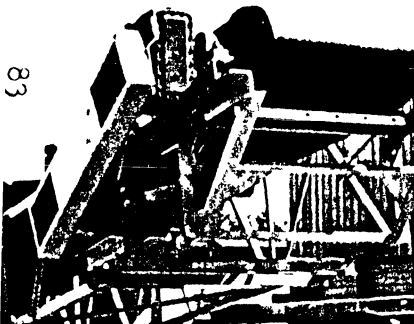
Auxiliary Equipment

# Portable Conveyors And Stackers— All Types And Sizes

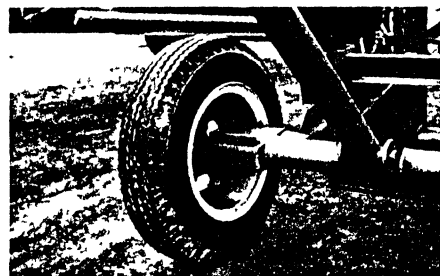


**Performance, Versatility and Quality are the design standards set for MCO Stackers**

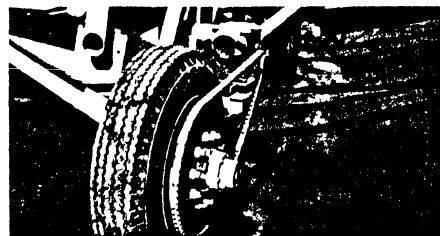
MCO Portable Stackers are designed and built to com-  
economical, high volume material handling with maxi-  
mobility and adaptability. These heavy duty units are  
result of years of design refinement down to the last  
if in close cooperation with actual users in the field. No  
1 has been spared to obtain the best combination of  
ormance, quality and competitive price. Standard belt  
hs range from 24" through 42". Conveyor lengths are  
ed in 5' increments from 40' through 150'. Larger sizes  
available upon request.



Vertical-shaft mounted gear reducers are used in most  
electrically powered drives. Integral sprag type backstops  
are standard.



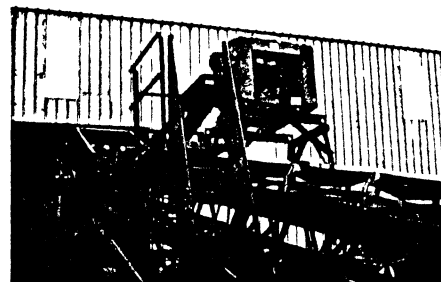
Standard Pivoting Spindles Allow Towing In One Position  
And Radial Stacking In The Other



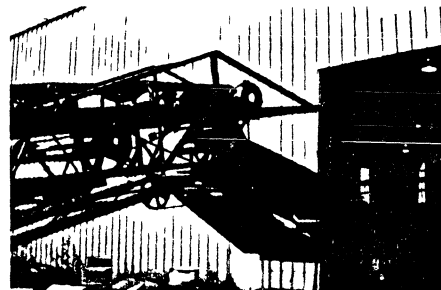
Optional Powered Traverse For Increased Efficiency  
Electric, Hydraulic Or P.T.O. Drives



Hydraulic Undercarriage Elevation Up To 20° Incline  
Standard Hand Pump Or Optional Power Driven Pump  
Dual Locking Pins



Optional Combustion Engine Drives



Optional vibrating separator screen

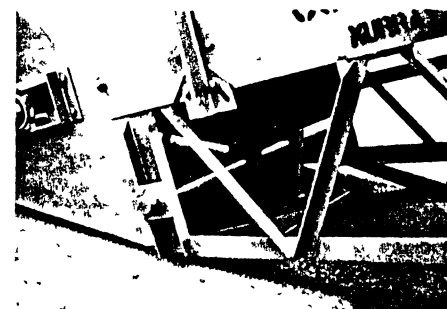
A wide range of standard and optional  
features gives you the right combination  
of equipment for your present applica-  
tion, and provides the flexibility to meet  
future needs.

Truss-type stationary conveyors easily  
convert to stackers with the addition of  
standardized undercarriages.

## OPTIONAL FEATURES

- Telescoping Axles
- Power-Driven Belt Cleaners
- Discharge Hood
- Powered Traverse
- Snub Pulleys
- External Backstop (Combustion Engine Drives Only)
- Walkways And Ladders
- Power Driven Hydraulic Elevation Pump
- Combustion Engine Drives And Clutches, P.T.O.'s
- Extra Skirting
- Belt Alignment Switch
- Zero-Speed Switch
- Emergency Stop Switch
- Weigh Scales
- Automatic Belt Take-ups
- Folding Boom
- Extra Capacity Hopper or Radial Hopper
- Fifth-Wheel Hitch
- Rail Wheels
- Telescoping Chute

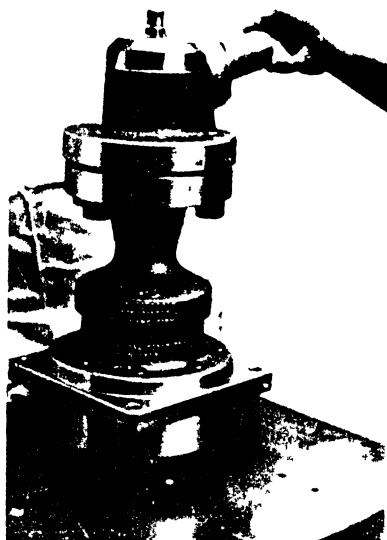
22.1.8



Swiveling Anchor Plates Standard Loading Hopper  
Shown

NOTE: A series of portable stackers can be placed end to end to  
form a temporary overland system.

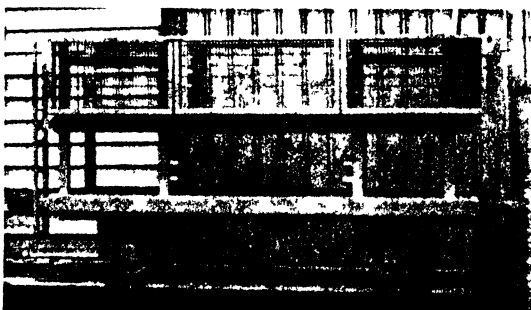
# Product development from idea to manufacture



Innovations—Research in Fuel Technology



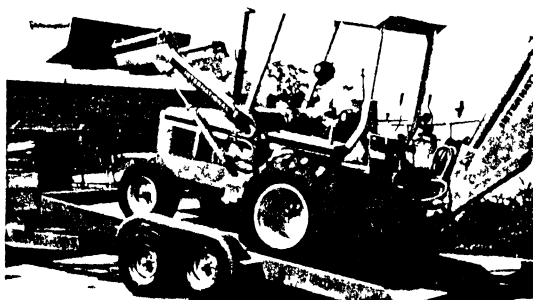
Custom Product Development  
(Insulation Manufacturing Plant)



Underground Mine Cars Lowboys, Tank Cars,  
Powder Cars, Drilling Platform Cars



Coal Research (Autoclave Reactors)



Equipment Trailers Tilt-bed or Ramp, 3-Ton and 5-Ton

## PARTIAL LIST OF CLIENTS

Contractors	Research & Special Projects
Ford Bacon & Davis	Hercules
Jeffrey Dresser	Litton
Lamb Engineering & Constr	Sperry Univac
Arthur G. McKee	Utah Research & Development
John B. Pyke	Mining Industry
Stevens Adamson	Allied Chemicals
Construction Co's	American Coal
Gibbons & Reed	American Oil
Goble Sampson	The Anaconda Company
John C. Grimberg	Brush Wellman
S. J. Groves	CMC Mining
Peter Kiewit	Emco Corporation
McNally Mtn. States Steel	Empire Energy
J. R. Simplot	FMC Corporation
Vicon Construction	Kaiser Steel
Nuclear	Kennecott Copper Corp
Catalytic, Inc.	Morton Salt
E. Systems, Inc.	N. L. Industries
Coal Research	Rio Algom
Carnegie Mellon Institute	Savage Brothers
Colorado State University	J. R. Simplot
Saskatchewan Power & Light	Stauffer Chemicals
University of Jordan	Southern Utah Fuel
University of Montana	(Coastal States Energy)
University of Utah	Utah AM
United States Dept. of Energy	Utah Power & Light
	Valley Camp Coal
	Western States Minerals (Dog Valley)



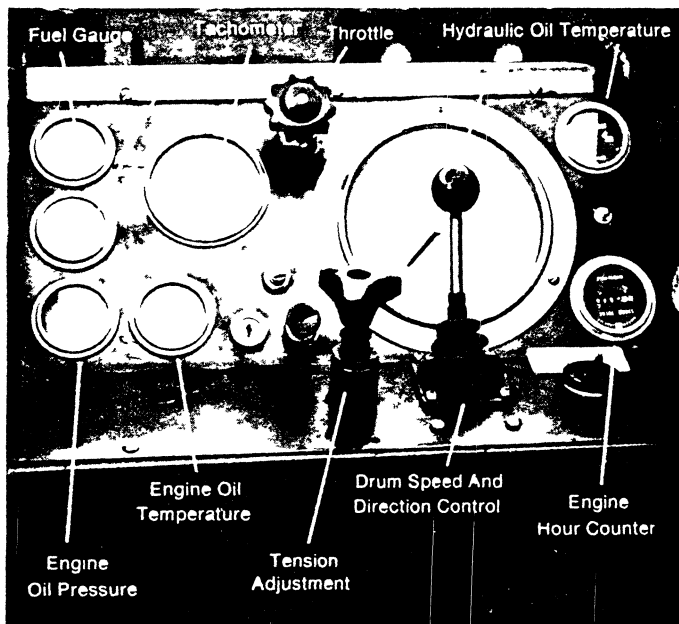
**President—William D. Peterson** is a registered professional engineer. He received his B.S. from University of Utah in 1959, his M.S. in 1967 and P.E. in 1964. His engineering design experience began with Sperry Univac from 1959 to 1966 when he was Senior Project Engineer cognizant for design of tooling and ground support equipment the Sargent Missile Program. He later worked several other companies in similar design assignments. In 1970 he established his own Engineer Consulting Firm, Wm. D. Peterson and Associates. The firm is known internationally for its developments and products associated with energy search. Currently through PEMCO, Wm. D. Peterson and Associates designs and manufactures coal liquefaction components and systems for research all over the world.

## FACILITIES AND TOOLS

Machining	Fabrication
Lathes	Shears 3' 8" x 10'—Cincinnati
48" swing x 18'—Cabe	Press Brakes 400 ton x 14'—Steelwell
36" swing x 10'—Summit	8' to 3'—Chicago (Two)
24" swing x 8'—Graziano (Two each)	Burning Pattern Burner
6' to 16' swing—Monarch, etc. (Five each)	Miscellaneous Burners
Mills	Saws Automatic 12' x 15'—Johnson
Vertical 16' x 75' table—Pedersen	11' x 16'—Wells
Horizontal/Vertical 13' x 61' table—Simplon	16'—Dewalt
Horizontal 12' x 53' table—Cincinnati	14'—Powermatic
Numerically Controlled Bridgeport (Two each)	9'—Roll in
Standard Bridgeport (Two each)	7' x 9'—Jet
Drills	Iron Worker 50 Ton Metal Muncher
48" Arm x 3' Drill Dia.—Ooya	Presses 80 Ton Hydraulic (Three)
15' x 1 1/2" Drill Dia.—Rockwell (Six each)	Portable (Two)
Grinding	Punches 40 Ton Metal Muncher
Centerless—Cincinnati	20 Ton Whitney
Surface—Brown & Sharp	Welders TIG Helarc—Miller (Two)
O. D.—Landis	MIG 300 to 600 Amp—Short Arc (See Stick Welders 400 Amp—Miller, etc. (Twelve)
Inspection	Stud Welders—Omark
Surface Block 3' x 6'—Mojava	Cranes 5 Ton Bridge Cranes (Five each)
Micrometers 0' to 24" O. D. 1' to 12" I. D.	Miscellaneous Magnetic Drills, Painting Facilities, 8' t
Other Calipers, Thread Standards, Indicators, Standard Blocks, etc. Inspection tool standards are traceable to the National Bureau of Standards and are certified for nuclear inspection. Quality control system meets MIL 1 45208.	Mobile Crane, 12 ton Mobile Crane, Kenworth tractor trailer

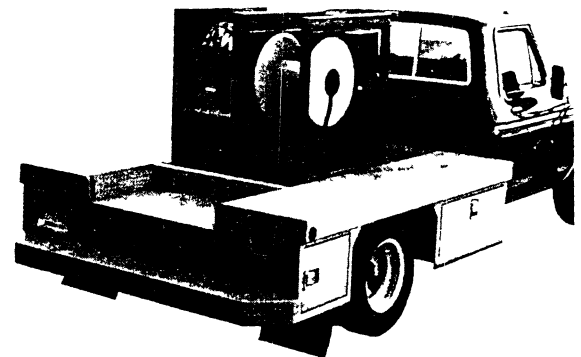
# TENSION CONTROL<sup>TM</sup> offers greatly improved control and sensitivity to line tension, at high or low speeds.

Tension Control is the only hydrostatic slickline unit on the market today offering a true variable displacement drive. At the heart of the system is a swashplate type hydraulic pump which can vary the stroke of the pistons from zero to maximum at any pump rpm. This eliminates the inefficient heat-producing relief valves used on competitive units. It also eliminates the multispeed gearboxes usually used to drive conventional gearpumps. There is no need to bring the system to a complete stop to change speeds. Above all, the swashplate pump allows a high degree of control and sensitivity to line tension at high or low speeds and in either direction. Operating controls are also simplified with a single lever controlling both drum speed and direction of rotation while line tension is instantly adjustable with a turn of a knob.



## SPECIFICATIONS

- 0 to 700 rpm drum speed, infinitely variable in either direction
- 691 Ft Lbs of torque at 149 rpm
- 1922 lbs line pull (with bare drum)
- 2000 feet per minute max line speed
- 25,000 feet of 0.92" dia slick line cable
- 1400 lbs net weight with drum removed
- 16 gallon fuel tank
- 10 gallon hydraulic fluid tank
- 38" wide, 43" long, and 45 1/2" high
- 25 HP gasoline or diesel engine (optional)
- 25 to 75 HP electric motor, 240/480 V A C, 3 Ph 60 Hz (Optional)



Truck Mounted Unit

## FEATURES:

- Closed loop Variable Displacement Hydrostatic Drive with high and low range provides infinite speed selection from 0 to 700 rpm in both forward and reverse
- Ease Of Control: A single joystick lever controls both drum speed and direction of rotation. Maximum pulling pressure is quickly adjustable with a handy knob control.
- Detachable Drums can be switched by removing and replacing four hex nuts. With drum removed, unit can be airlifted more easily.
- Choice Of Motive Power provides added versatility. Efficient compact aircooled 25 HP gasoline or diesel engines allow self-contained operation in remote areas. Key lockable electric starting is standard on all models. 25 HP to 75 HP electric motors are available in a choice of 240 or 480 volts AC 3 phase 60 Hz.
- Compact Modular Construction combines all welded external tubular steel frame with integral fuel and hydraulic tanks. Skid mounted design with four tie down points allows easy setup in a variety of locations.
- Full Instrumentation includes tachometer, fuel gauge, volt meter and engine hour counter, as well as pressure and temperature gauges for both engine oil and hydraulic fluid.

## OPTIONS:

- Truck Bed Mounting available for various light truck chassis
- Steering Head used in combination with rear mounted control station option
- Boom Truck with Operator Control Cabin
- Rear-mounted Control Station: Controls mounted on opposite side of unit from what is shown in the illustration.

**A Unique Combination Of Sensitive Control, Compactness, Versatility**



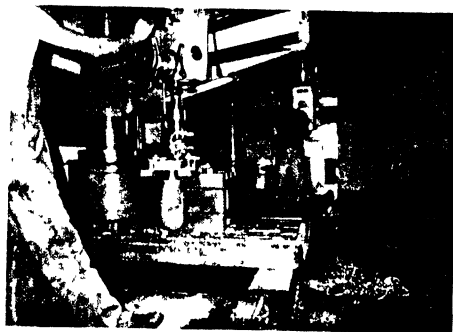
PRODUCT ENGINEERING  
AND MANUFACTURING CO

• 21407 (804) 268-2577

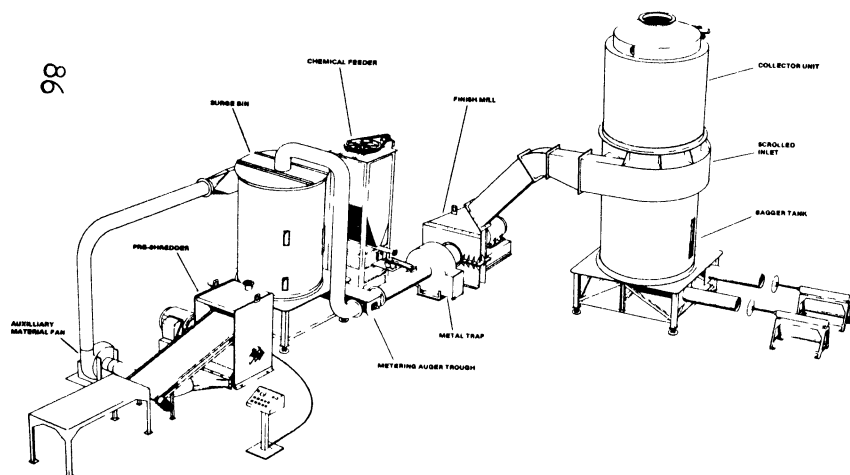
PEMCO's engineering expertise and manufacturing experience go into every System 5000 plant sold. Our extensive fabrication and machine shop facilities allow us to produce custom plant designs to suit individual needs, as well as provide prompt in-field service or modifications.



Fabrication Shop



Machine Shop



PRODUCT ENGINEERING AND MANUFACTURING CO  
4727 SOUTH RIVERSIDE DRIVE, MURRAY, UTAH 84107  
PHONE 801-268-2577

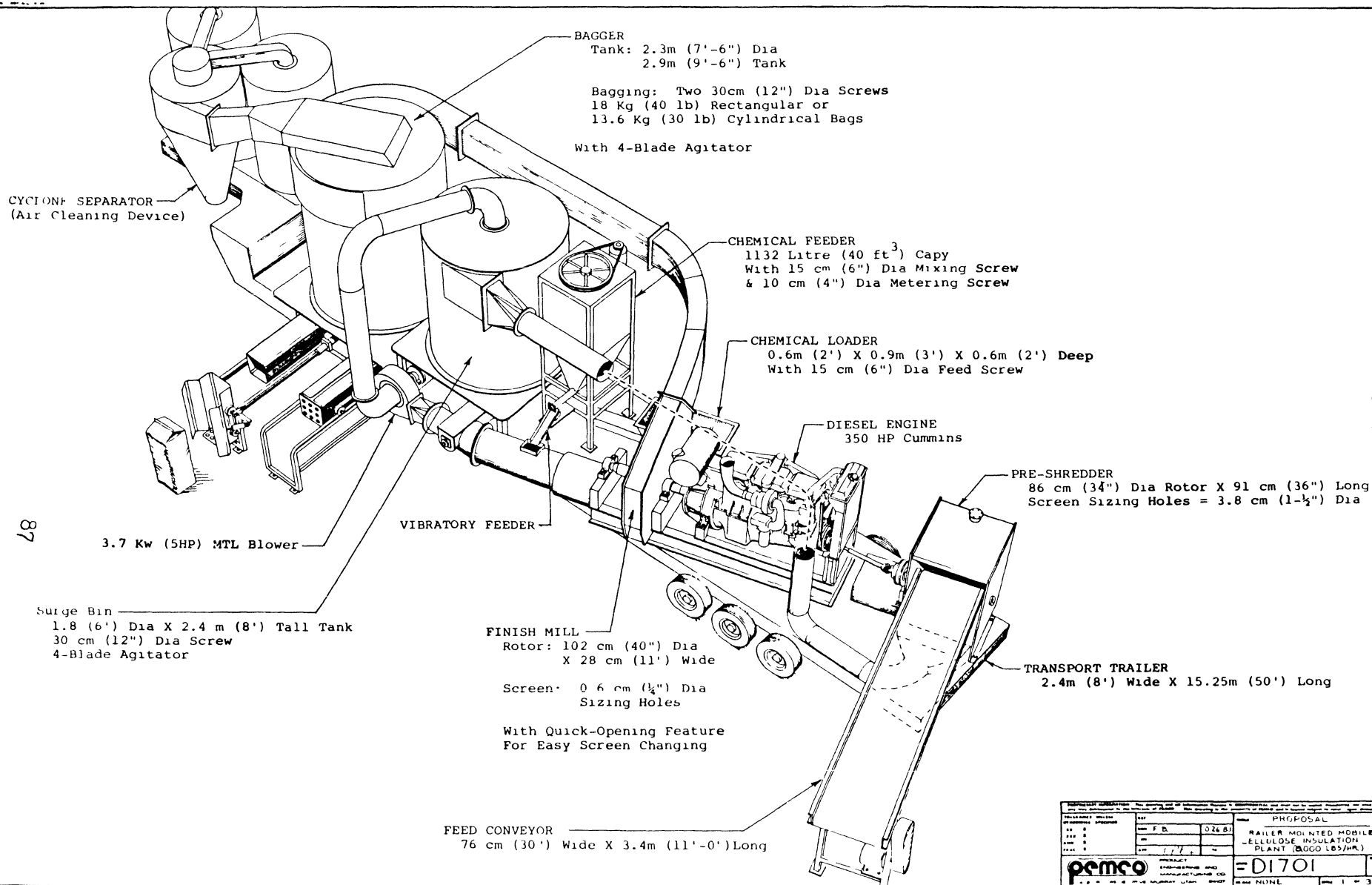
# System 5000

## Cellulose Insulation Manufacturing Plant



**pemco**  
PRODUCT ENGINEERING  
AND MANUFACTURING CO

22.3





# State-of-the-Art Dependability And Product Quality Control

**TWO-MILL SYSTEM** A two-mill system is essential for consistent quality and sustained high-volume production. Raw material is first reduced to a uniform and manageable size in the Pre-shredder. This is then fed into a Surge Bin from which it can be metered at a constant rate into the Finish Mill, regardless of variations or interruptions in raw material feed. Due to this the Finish Mill produces a much finer and superior product. In addition, chemical fire retardants can be combined with the cellulose fibers much more thoroughly and consistently than with any single mill system. Truly high production can be achieved and maintained, since the work is divided between two mills.

**METERED CHEMICAL INPUT** A variable speed metering screw feeds precisely the right amount of fire-retardant chemical into the pre-shredded material, just before it enters the Finish Mill. The chemical feed rate is directly linked to the material feed rate to assure consistent production. Most important, an optical monitor guarantees that chemical is being added constantly during production. Any interruption in chemical flow sounds an alarm and shuts down the mills. This feature is essential in meeting Federal Specification HHI-515-D and other state and local codes.

**CHOICE OF BAGGERS** Insulation produced in bulk for the high-volume contractor is best packaged in economical, cylindrical plastic bags, which, in addition to economy, have the added advantage of easy handling and disposal on the job site. For such bags, the auger-tube bagger is offered as standard equipment on the System 5000 plant, and is conservatively rated at 5000 lbs /hr.

On the other hand, insulation sold in retail outlets has to be attractively packaged and displayed to be competitive with other well-known types and brands. For this market, the rectangular paper or plastic bag is superior, lending itself easily to colorful bag designs and stable displays. A semi-automatic bagger for rectangular bags is available as an option at extra cost. Production rates are 4000 lbs /hr for the single-tube arrangement and 8000 lbs /hr for tandem tubes.

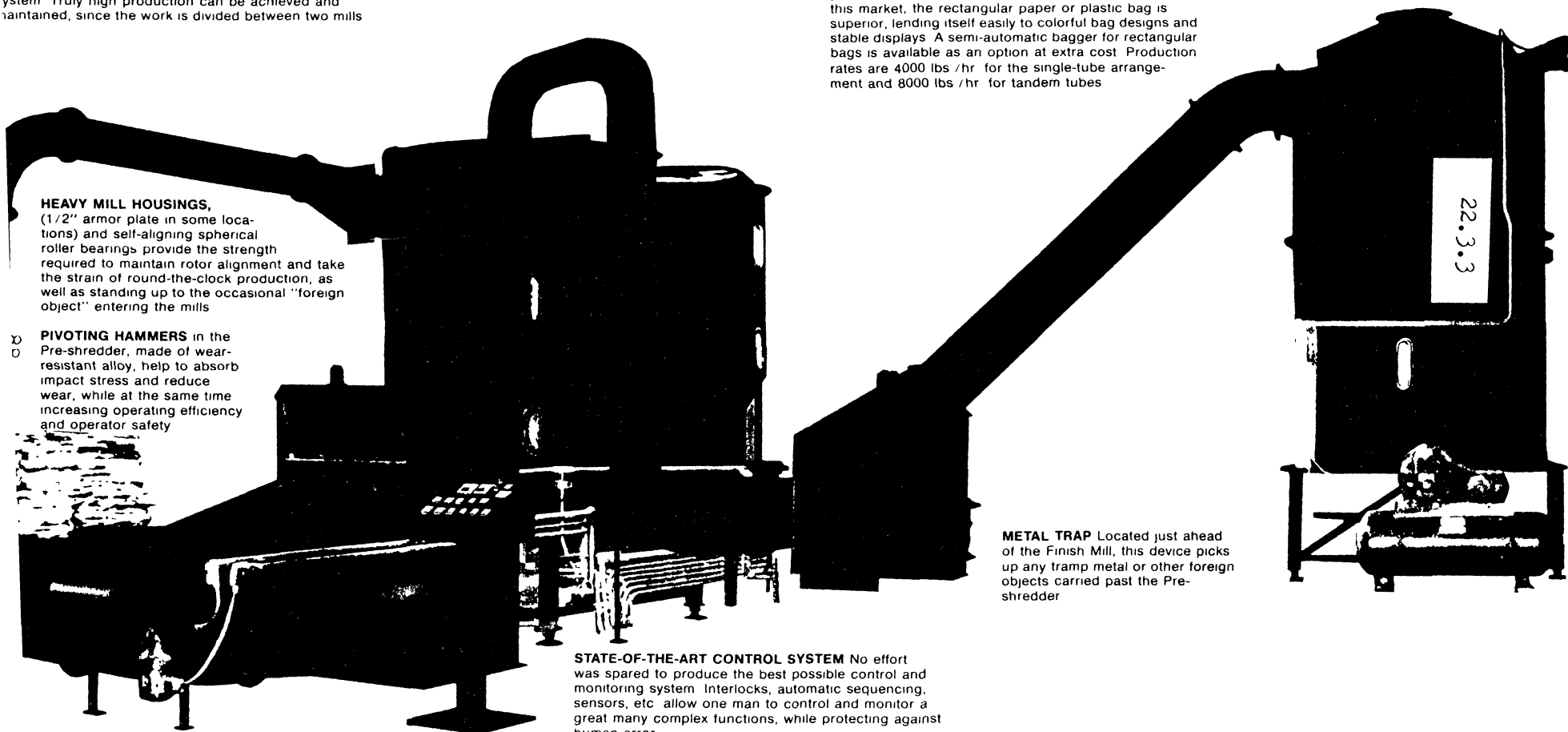
**DUST COLLECTOR** In these days of accelerating environmental concern and regulation, it makes good sense to design for the future. The bag-house dust collector actually exceeds air quality standards now in effect, having an efficiency of 99.9%. Bags are self-cleaning, using an automatic internal air-pulse system. With no mechanical moving parts, this collector is the ultimate in dependable, trouble-free performance.

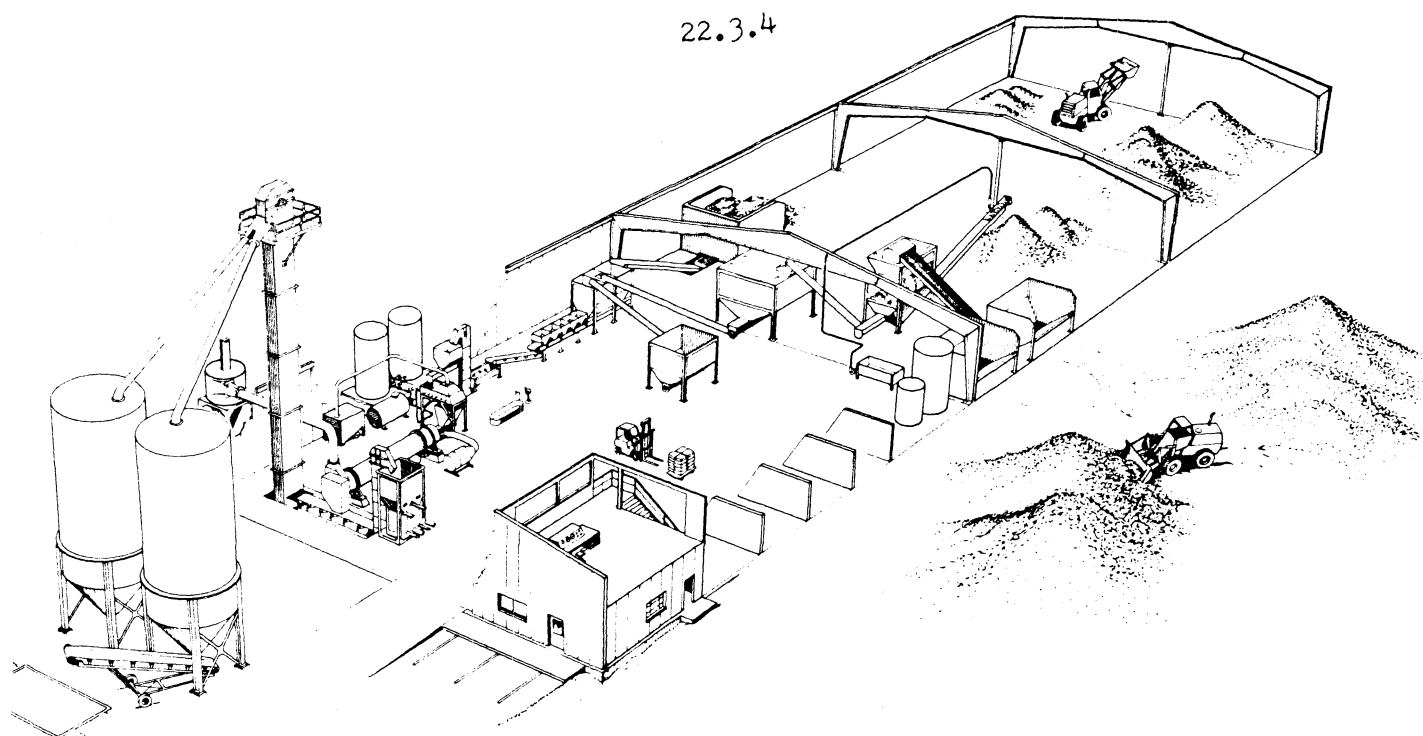
**HEAVY MILL HOUSINGS,** (1/2" armor plate in some locations) and self-aligning spherical roller bearings provide the strength required to maintain rotor alignment and take the strain of round-the-clock production, as well as standing up to the occasional "foreign object" entering the mills.

**PIVOTING HAMMERS** in the Pre-shredder, made of wear-resistant alloy, help to absorb impact stress and reduce wear, while at the same time increasing operating efficiency and operator safety.

**METAL TRAP** Located just ahead of the Finish Mill, this device picks up any tramp metal or other foreign objects carried past the Pre-shredder.

**STATE-OF-THE-ART CONTROL SYSTEM** No effort was spared to produce the best possible control and monitoring system. Interlocks, automatic sequencing, sensors, etc. allow one man to control and monitor a great many complex functions, while protecting against human error.





Typical 120' x 400' Plant Layout (36.6m x 122m)  
Capacity: 20 Net Tons Per Hour (18.14 Metric Tons Per Hour)

We have developed an exclusive process for production of the organic-based fertilizer described in this brochure. We offer complete "turn-key" plants for the manufacture of this fertilizer in prilled, bagged form. These plants are designed in such a way that various formulations tailored to specific needs can be produced in volume. The latest computer technology is employed to control and monitor the formulation process, as well as all other plant functions.

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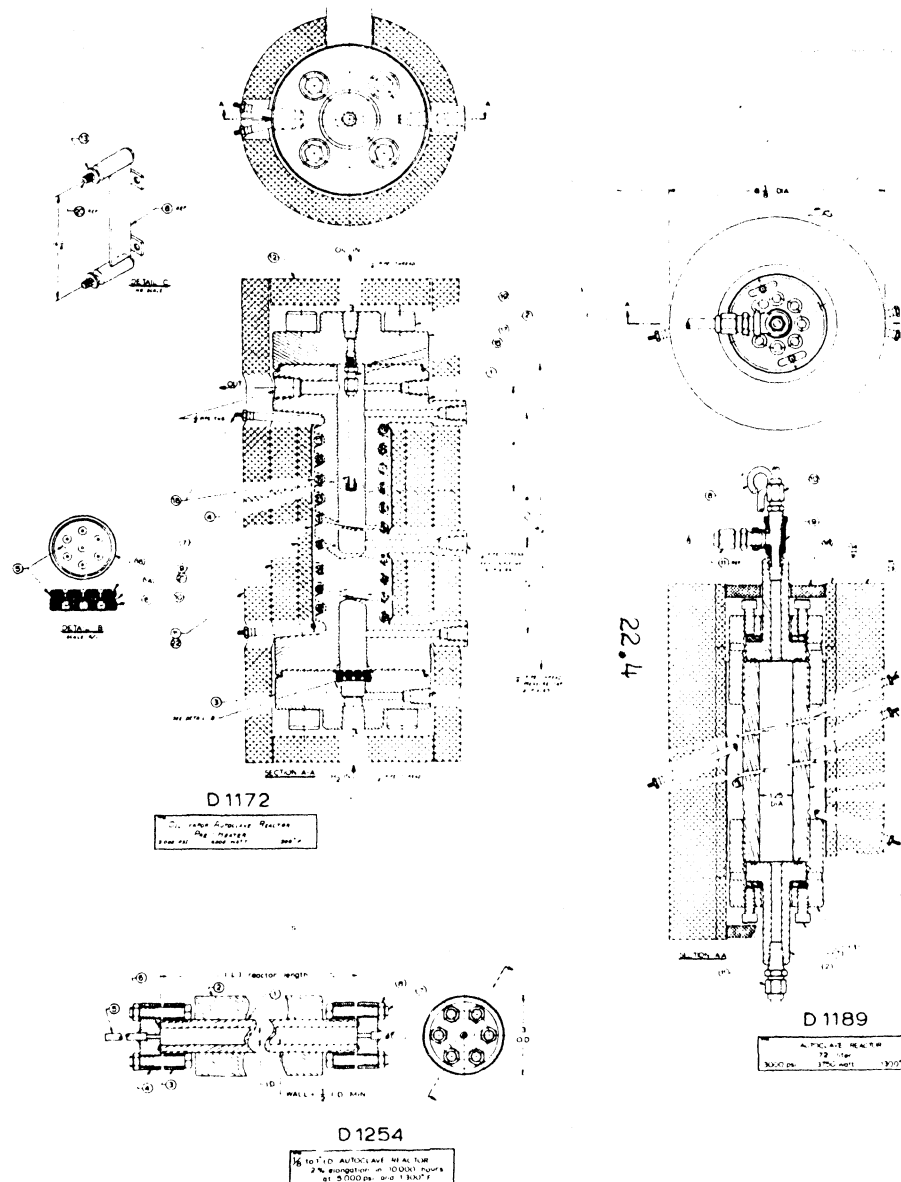


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STATE OF UTAH



# Department of Business Regulation

## Registration Division

**William Donald Peterson, II**

*having complied with all the requirements of the laws of the State of Utah and the rules of this Department, is hereby registered and licensed to practice as a*

**Professional Engineer**

License  
No 2766



*In Witness Whereof I have hereunto set my hand and affixed the official seal of the Department this Twenty first day of July 1966*

**STATE OF UTAH**  
DEPARTMENT OF BUSINESS REGULATION  
DIV OF OCCUP & PROF LICENSING  
LICENSE NUMBER 02766-0948-2  
EXPIRATION DATE 88/04/30  
PETERSON WILLIAM-DONALD  
1996 E 4675 SOUTH  
S L CITY UT  
84117  
IS DULY REGISTERED TO PRACTICE AS  
A PROFESSIONAL ENGINEER

**The University of Utah**

Upon the Recommendation of the Faculty  
has conferred on  
**William Donald Peterson II**  
the Degree of

**Master of Science**  
in Mechanical Engineering

with all its Rights, Honors and Responsibilities  
given at Salt Lake City, in the State of Utah, on the ninth day of June,  
nineteen hundred sixty seven

*W. B. Hubbard*  
Secretary of the Board of Regents



*James C. Little*  
President of the Board of Regents

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**The University of Utah**

To all to whom these Letters shall come Greetings  
The Regents of the University on Recommendation of the Faculty  
and by Virtue of the Authority in them vested have conferred upon  
**William Donald Peterson**  
who has satisfactorily pursued the prescribed Studies and  
passed the required Examinations the Degree of  
**Bachelor of Science in Mechanical Engineering**  
with all the Rights Privileges and Honors thereunto appertaining  
Given at The University of Utah in the State of Utah on the eighth Day of June  
in the Year Nineteen Hundred and Fifty-seven



*W. B. Hubbard*  
Secretary of the Board of Regents  
*James C. Little*  
President of the Board of Regents

## POINTS OF LAW

### 23.0 Corporate Meetings and Records

- 23.1 A meeting cannot be legally called by a subordinate officer or agent of a corporation, as by the president or secretary, not entrusted with the general management of the corporation. Jackson v. Dillehay, 209 Ark, 192 SW2s 354.
- 23.2 Minutes of a corporate meeting are not written instruments. Their function is merely to serve as a written record as to what took place at the meeting. Colorado Management Corp v. American Founders Life Ins. Co. of Denver 145 Co 413, 359 P2d 665.
- 3.3 It is the general rule that corporate books and records are not admissible in evidence without satisfactory preliminary proof as to their identity and authenticity or genuineness. Baush Mach. Tool Co. v. Aluminum Co. of America 79 F2d 217.

"FLETCHERS CYCLOPEDIA"

### 4.0 Duress

- 4.1 Any unlawful threat or coercion used by a person to induce another to act (or refrain from acting) in a manner he or she otherwise would not (or would). Subjecting person to improper pressure which overcomes his will and coerces him to comply with demand to which he would not yield if acting as free agent. Head v. Gadsden Civil Service Bd., Ala.Civ.App., 389 So.2d 516,519.
- 4.2 Application of such pressure or constraint as compels man to go against his will and takes away his free agency, destroying power of refusing to comply with unjust demands of another. Haumont v. Security State Bank, 220 Neb. 809 374 N.W.2d 2,6.
- 4.3 A condition where one is induced by wrongful act or threat of another to make a contract or perform a tortious act under circumstances which deprive him of exercise of his free will. Hyde v. Lewis, 25 Ill.App.3d 495, 323 N.E2d 533,537. Includes any conduct which overpowers will and coerces or constrains performance of an act which otherwise would not have been performed. Williams v. Rentz Banking Co., 112 Ga.App.384 145 S.E.2d 256, 258.
- 4 Duress may be a defense to a criminal act, breach of contract, or tort because an act to be criminal or one which constitutes a breach of contract or a tort must be voluntary to create liability or responsibility.
- 5 A contract entered into under duress by physical compulsion is void. Also, if a party's manifestation of assent to a contract is induced by an improper threat by the other party that leaves the victim no reasonable alternative, the contract is voidable by the victim. Restatement, Second, Contracts §§174, 175.
- 5 As a defense to a civil action, it must be pleaded affirmatively.

Fed.R.Civil P 8(c).

- 1.7 As an affirmative defense in criminal law, one who, under pressure of an unlawful threat from another human being to harm him (or to harm a third person), commits what would otherwise be a crime may, under some circumstances, be justified in doing what he did and thus not be guilty of the crime in question. See Model Penal Code § 2.09. See also Coercion; Economic duress, Extortion; Undue influence. "WILLISTON ON CONTRACTS VOL 13"

#### 5.0 Economic Duress or So-Called "Business Compulsion"

- 5.1 The ever increasing extent of economic interdependence has resulted in certain types of interference causing grave injury to individual parties and to their business and property interests. This change has been felt in the law of duress and has led to an overall liberalization of its rules (1) and the expanded doctrine of economic duress of "business compulsion," as it is often described. (2)
- 5.2 A threatened injury to business or to means of earning a livelihood which goes beyond the means legally allowed for the enforcement of a party's claim may constitute such duress as to give a right of rescission (3).
- 25.3 While there is disagreement among the courts as to what degree of coercion is necessary to a finding of economic duress (4), there is general agreement as to its basic elements"
- 1) The party alleging economic duress must show that he has been the victim of a wrongful or unlawful act or threat (5),
- 2) Such act or threat must be one which deprives the victim of his unfettered will (6).
- 3) As a direct result of these elements, the party threatened must be compelled to make a disproportionate exchange of values (7) or to give up something for nothing (8). If the payment of exchange is made with the hope of obtaining a gain, there is not duress (9); it must be made solely for the purpose of protecting the victim's business or property interests (10). Finally, the party threatened must have no adequate legal remedy (11).
- 25.4 A threatened violation of a contractual duty ordinarily is not in itself coercive (12), but if failure to receive the promise performance will result in irreparable injury to business, the threat may involve duress (13). Such an act or threat may be wrong under the circumstances which would lead to the irreparable harm.
- 25.5 Conversely, a release obtained by a plaintiff through threats not to complete a roofing contract with defendant was not obtained under duress because defendant could have hired another contractor and then sued plaintiff for damages. There was no threat of irreparable injury to defendant's business (15).

25.6 In contrast, certain actions or threats are not at all wrongful in themselves, but are considered coercive when done for an improper purpose (16). In fact, activities may even be lawful, such as carrying out a contract term or instigating civil litigation.

(4) Note, 41 Tex LR 317; Note, 15NC LR 413; Note, 28 S Cal LR 317.

(5) Fruhauf Southwest Garment Co. v. United States, 111 F Supp 945, 126 Ct Cl 51; Thompson Crane & Trucking Co. v. Eyman, 123 Cal App 2d 904, 267 P2d 1043; Fowler V. Mumford, 48 Del 282, 102 A2d 535; Inland Empire Refineries, Inc. v. Jones, 69 Idaho 335, 2065 P2d 519;...

(6) Fruhauf Southwest Garment Co., v. United States, 111 F Supp 945, 126 Ct Cl 51; Pacific Mutual Life Ins. Co v. McCaskill, 126 Fla 82, 170 S 579; ...

(7) Fowler V. Mumford, 48 Del 282, 102 A2d 535; Nixon v. Litman, 32 Misc 2d 461, 224 NYS2d 448; ...

(8) For instance, blackmail or extortion.

(9) Spekcert v. Bunker Hill Arizona Mining Co. 6 Wash 2d 39, 106 P2d 602, 131 ALR 125. Note 40 Cal LR 425.

(10) Fruhauf Southwest Garment Co., v. United States, 111 F Supp 945, 126 Ct Cl 51; Pacific Mutual Life Ins. Co v. McCaskill, 126 Fla 82, 170 S 579; ...

(11) Pure Oil Co. v Tucker, 164 F 2d 945 (CA 8); Western Gulf Oil Co. v. Title Insurance & Trust Co. 92 Cal App 2d 257, 206 P2d 643; Pacific Mutual Life Ins. Co. v McCaskill, 126 Fla 82, 170 S 579; ...

(12) Manno v Mutual Benefit Health & Accident Assn. 18 Misc 2d 80, 187 NYS2d 709; 30 East End, Inc. v World Steel Products Corp. (Sup) 110 NYS2d 754; Tri-State Roofing Co. v Simon, 187 Pa Super 17, 142 A2d 333.

(13) Tri-State Roofing Co. v Simon, 187 Pa Super 17, 142 A2d 333; Cf Gallagher Switchboard Corp. v Heckler Electric Co. 36 Misc 2d 225, 232 NYS2d 590.

(14) King Construction Co., v W.M. Smith Electric Co. (Tex Civ App) 350 SW2d 940.

(15) Tri-State Roofing Co. v Simon, 187 Pa Super 17, 142 A2d 333.

(16) Fowler v Mumford, 48 Del 282, 102 A2d 535; Wolf v Marlton Corp. 57 NJ Super 278, 154 A2d 625; Gallagher Switchboard Corp. v Heckler Electric Co. 36 Misc 3d 225, 232 NYS2d 540, stated infra p 721.

#### 0 Duress - Forcibly Guiding

1 If a man by force compels another to go through certain indications of assent, as by taking his hand and forcibly guiding it, there is no real expression of mutual assent for the act is that of him whose hand was guided.

Fairbanks v. Snow. 145 Mass 153, 13 NE 596; McCoy v James T. McMahon Const. Co. (Mo) 216 SW 770; Taylor v. Russell, 258 AD 305, 16 NYS2d 388 citing text; Sheppard v. Frank, 307 Pa 372 161 A 304. Rest. Contracts # 494 (b) Illus 2.

## 7.0 Duress - Not Knowing

- 7.1 Likewise, if one is coerced into giving apparent assent to a transaction the nature of which he does not know or have reason to know, the transaction is void.

Atwood v. Atwood, 84 Conn 169, 79 A 59; Blinder v. Monaghan, 171 Md 77, 188 A 31; Bushnell v. Loomis, 234 Mo 371, 137 SW 257, 36 LRA NS 1029; Cf Atkinson Paving Co. v. Edwards, 192 Ark 961, 96 SW2d 954; Rosenberg v. Doe, 148 Mass 560, 20 NE 176; Rest Contracts # 494 (a) and Illus 1. Supra # 1488.

## 8.0 Duress - as when Fraud is Exercised

- 8.1 But, in the ordinary case where duress is exercised, as generally when fraud is exercised, there is an actual expression of assent to the very transaction in question, though in view of the way in which the assent was obtained it is inequitable to permit the enforcement of the bargain.

Royal v. Goss, 154 Ala 117, 121, 45 S 231; Fairbanks v. Snow, 145 Mass 153, 13 Ne 596; Randolph v. Lewis, 196 NC 51, 144 SE 545, 62 ALR 1474, quoting text; Cal Civ Code #1566; "Consent which is not free is, nevertheless, not absolutely void, but may be rescinded."

## 29.0 Duress - To Threaten to Injure Third Person

- 29.1 Common law regard as duress the mental pressure exerted by threats to injure another, where duress was exercised against the husband or wife or child of the person whose action was coerced. The case law affords numerous examples of this type of coercion or mental duress as it is sometimes described.
- 29.2 "It is also the prevailing modern view that threats which result in duress need not be conveyed directly to the one threatened. It is sufficient if the threats were made to a third person, with the intent that the threats be conveyed to the person to be affected, or with knowledge that they would be so conveyed, and with the intent of the one making the threat to thereby procure an agreement or some other advantage from the person who was the object of the threats; that the threats were so conveyed; that they did have the intended effect; and that the one making the threats thereby procured the agreement or other advantage desired."

Tallmadge v Robinson, 158 Oh St 333, 49 Oh Ops 206, 109 NE2d 496; Foley v Greene, 14 RI 618; Meylink v Minnehaha Co-op, Oil Co. 66 SD 351, 283 NO 161; Gorringer v Reed, 23 Utah 120, 63 P 902; City National Bank v Kusworm, 88 Wis 188, 59 NW 564.